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RURAL TRANSPORTATION ISSUES

HEARING

BEFORE THE

SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE

OF THE

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

AUGUST 20, 1990—BOISE, IDAHO

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CONTENTS

Page

Symms, Hon. Steve, U.S. Senator from the State of Idaho, opening statement.. 1

WITNESSES

Backes, Richard, director, North Dakota Department of Transportation 22
Letter to Senator Symms 27
Prepared statement 103
Chadwick, Daniel, executive director, Idaho Association of Counties 39
Prepared statement 122
Clark, Charles G., special representative to the president, Union Pacific Railroad 47
Prepared statement 147
Corbell, Robert R. II, executive director, Associated General Contractors of America 59
Prepared statement 169
Resolution of the Idaho branch 173
Craig, Hon. Larry E., a Representative in Congress from the State of Idaho..... 8
Prepared statement 69
Cromer, Shirley, member of the board, Idaho Women in Timber 62
Galligan, Donald C., planning manager, North Bannock Metropolitan Planning Organization. 63
Garrard, Parke, managing director, Idaho Motor Transport Association 55
Prepared statement 162
Haag, Terrance A., president, Motorcycle Riders Foundation 49
Hall, Ronald R., State director, Idaho Small Business Development Center 65
Prepared statement 174
Hanson, Mary, chairman, Boise County Board of Commissioners 37
Hawkins, James V., director, Idaho Department of Commerce 30
Henry, Robert L., administrator, Idaho Transportation Council 53
Prepared statement 159
Kempthorne, Hon. Dirk, mayor, city of Boise, ID 1
Kiebert, Kermit V., director, Idaho Transportation Department 18
Prepared statement 97
Lupis, John V., director of engineering, intermountain region, U.S. Forest Service 15
Prepared statement 88
Powaukee, Donna, TERO director, Nez Perce Tribal Employment and Training 40
Prepared statement 140
Reser, Hon. Galen, Assistant Secretary for Governmental Affairs, U.S. Department of Transportation 11
Prepared statement 76
Ridinger, Hon. Tim, mayor, city of Shoshone, ID 35
Stark, Ray, government affairs manager, Boise Chamber of Commerce 34
Smyser, C.A., chairman, Senate Transportation Committee, Idaho State Senate 45
Prepared statement 145
Thomas-Jorgenson, Jill, director of economic development, Port of Lewiston 52
Winder, Charles L., commissioner, Ada County Highway District 42

ADDITIONAL MATERIAL

Idaho local highway needs assessment study 217

Statements:

	Page
Iowa Department of Transportation	176
Ada Planning Association	177
Allen, Verda	179
Automobile Club of Oregon	180
Idaho Highway Users Conference	182
Detailed Description of Elements of Proposed Future Federal-Aid Highway Program	186
Idaho State Automobile Association	191
Living Independence Network Corp	194
Mini-Cassia Development Commission	196
National Association of Counties	127
National Growth Management Leadership Project	198
Pline, James L	205
Villelli Enterprises, Inc	208
Wagar, Vern E	213

RURAL TRANSPORTATION ISSUES

MONDAY, AUGUST 20, 1990

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION,
AND INFRASTRUCTURE,
Boise, ID.

The subcommittee met, pursuant to notice, at 9:00 a.m. in the Les Bois Room, City Hall, Boise, Idaho, Hon. Steve Symms [acting chairman of the subcommittee] presiding.

Present: Senator Symms.

OPENING STATEMENT OF HON. STEVE SYMMS, U.S. SENATOR FROM THE STATE OF IDAHO

Senator SYMMS. Good morning, ladies and gentlemen. I call to order the Idaho highway hearing of the Committee on Environment and Public Works, with the main focus of the hearing targeted on rural issues. This is the Subcommittee on Transportation. I want to thank everyone for being here today to testify or to observe the proceedings at this hearing.

This is the subcommittee's third Idaho field hearing on reauthorization of the Federal-Aid Highway Program. In addition to the Idaho hearings, the subcommittee has taken testimony from interested citizens in Montana, Minnesota, and Florida, and it is likely that we will begin hearings in Washington, D.C. early next year.

Before I make some brief remarks on the issues to be discussed today, I want to thank the Boise City Council and the Mayor, the Honorable Dirk Kempthorne, for providing us with such a fine facility and meeting site. Mayor Kempthorne is our host here at the City Hall.

I believe it would be appropriate for you to make some remarks if you chose to at the beginning of this hearing, so for that purpose I am happy to yield to you some time before we go any further with our hearing.

Welcome, Mayor. It is nice to have you here this morning.

STATEMENT OF HON. DIRK KEMPTHORNE, MAYOR, CITY OF BOISE, ID

Mayor KEMPTHORNE. Senator Symms and Congressman Craig, it is always a great pleasure to see both of you in our city of Boise, and particularly in our City Hall. The last time we three were together in this specific room we had the great privilege of having the President of the United States with us as well, when President

Bush conducted a community forum right here in this room. There is certainly no substitute for good Federal legislation, to have our Federal legislators come out and meet one-on-one with their constituents in the areas where we live.

Senator Symms, one of the things that I think you have been so helpful with is to seek greater and greater flexibility in those Federal regulations so that local and State officials can utilize resources made available to us by the Federal Government to where we feel they will do the greatest amount of good.

Boise had a particular problem with a transit system in the heart of our downtown. The Federal Government felt that many things were black and white, but they were not, as they often are not. Thanks to your efforts and those of your staff we were able to gain flexibility in that program and it now works beautifully in Boise. So we thank you for that.

I know that in this reauthorization that you're working on now, again, one of the things that both you and Congressman Craig will be working on is greater flexibility at the local and State levels, and that's greatly appreciated.

I also want to commend you for offering the Transportation Investment and Trust Act. Again, I think that will make resources available to us in the rural areas so that we can put them to good use. There is nothing more important right now, and one of the things at the top of our list has to be the infrastructure for the health and well-being of this country of ours.

So I commend both of you for your efforts. I know that Mayor Ridinger from Shoshone, who is the Third Vice President of the Association of Idaho Cities, is here and will speak this morning as well on behalf of local government. So I think you are off to a great start.

Again, it's always a pleasure to have you here.

OPENING STATEMENT OF HON. STEVE SYMMS, U.S. SENATOR FROM THE STATE OF IDADO—Continued

Senator SYMMS. Thank you very much, Mayor. I appreciate it. It's nice to have you here.

I want to make just a few more brief remarks and then we'll commence with our witness list.

Again, I want to thank the Mayor and thank all of you for attending this committee hearing. It is very important that the committee consider the views of people outside Washington. When we begin deliberating next year's highway bill, we will need this input. During consideration of the 1982 and 1987 highway bills, the subcommittee took testimony from Idahoans at several different meeting sites around the State, and I believe those hearings had a positive impact for all western rural States in terms of funding formulas and the structure of the Federal-Aid Highway Program.

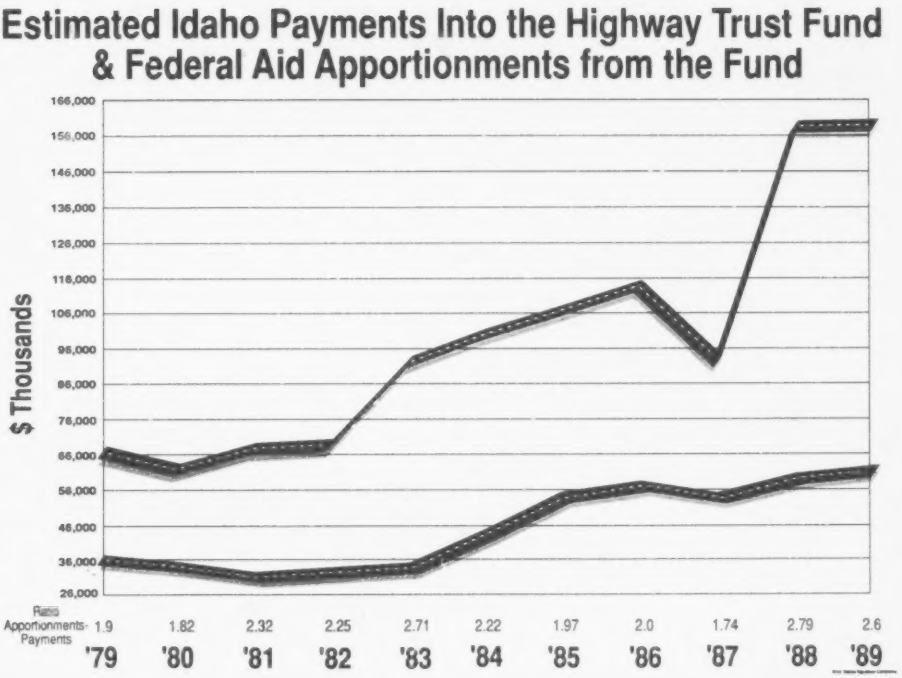
Last year we heard witnesses in Twin Falls and Idaho Falls talk about the need for special funding for high priority local road projects; problems with Federal regulatory roadblocks to construction projects; concern about funding formulas in the next highway bill; and numerous other issues. Today we have asked witnesses to focus on a variety of rural highway concerns, including the role of

the Federal, State, and local governments in the Federal-Aid Highway Program in the post-Interstate era; design specifications on rural highways; rural road safety issues, such as rail highway crossings; the impact of a Federal fuel tax increase on rural areas; enforcement formulas and the impact on rural areas of a change in matching requirements; off-system bridges and timber bridges; private donations of money or in-kind contributions in lieu of local cash match; advantages or disadvantages of increased truck sizes and weights for rural roads and communities; rural highway needs on Federal lands; and rural agricultural and industrial transportation needs.

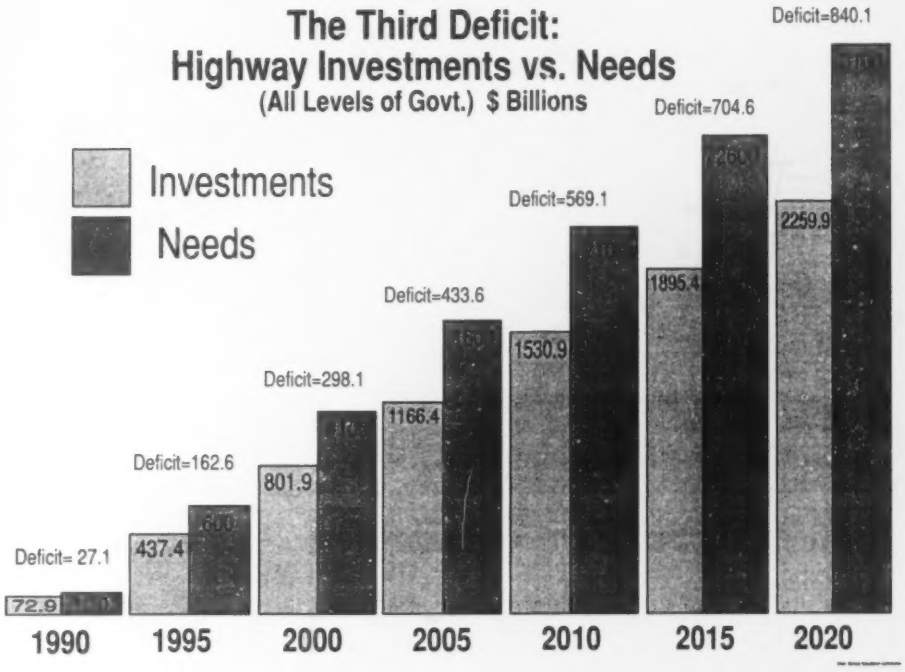
We have almost 25 people on the scheduled witness list today, and I have a list of several folks who have called my office to indicate that they would like to speak on an issue. So I want to say at the beginning that the written statements, in full, of all witnesses will be included in the hearing record, and I would like to ask each of you to do your best to hold your oral statements to five minutes.

Just a couple of items before we begin. We have a few charts displayed here, and I would like to ask Taylor Bowlden, who is the chief of my legislative staff in Washington, from Cascade, whom many of you know—Taylor, if you would, just briefly explain those charts.

Mr. BOWLDEN. The first chart shows highway users' payments into the Highway Trust Fund over the period of the 1980s. This starts at about $36 million and goes up to about $58 million in 1989. The top line shows what Idaho received from the Highway Trust Fund in each of those years, starting at about $66 million and going up to about $158 million in 1989. These numbers along here show what that ratio means in terms of a dollar-for-dollar return on the investment that highway users make to the Highway Trust Fund.

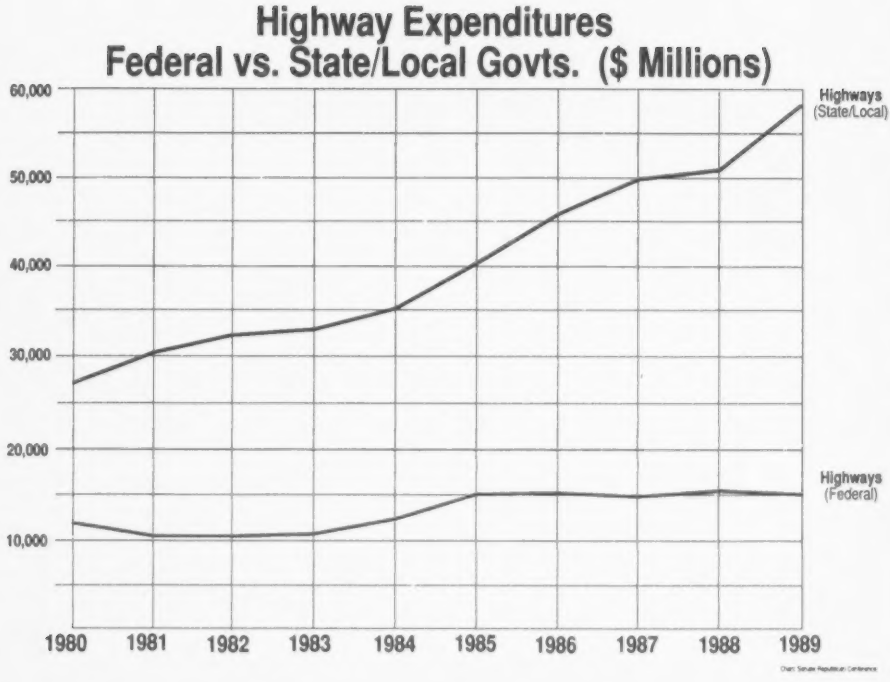


Mr. BOWLDEN. The next chart is on a national scale and shows what the Federal Government invests in highways and what State and local governments invest in highways. Its purpose is to show you that, for one thing, State and local governments invest a lot more than the Federal Government does in our total highway system, and also to show you that over the period of the 1980s the Federal investment in highways remained relatively flat, about $15 billion a year, while the State and local government investments have increased substantially over that period.



Mr. BOWLDEN. The third chart shows you what our total investment at all levels of Government is in 1990, $72.9 billion. The blue bars are an estimate of our highway investment needs if we are to maintain our highways in their current condition. This is an estimate prepared by AASHTO, which is the American Association of State Highway and Transportation Officials. They estimate our needs at about $100 billion a year, so we are "deficit spending," so to speak, in our infrastructure. We are spending less than we need to spend to maintain our infrastructure by about $27 billion a year.

This chart shows how that deficit, if we don't increase our investment in highways, increases over a 30-year period, so that by the year 2020 we will have spent about $840 billion less than we need to spend to maintain our highway system in its current condition.



Senator SYMMS. Thank you very much, Taylor.

I think it is obvious from looking at the charts that State and local governments have spent an ever increasing amount on highways, while Congress has held Federal expenditures pretty close to $15 billion a year since the mid-1980s.

Now, it may be true in principle that State and local governments will have to continue to increase their share of total infrastructure improvements, but meantime the Federal Government is sitting on substantial balances in the Highway and Airport Trust Funds. In my opinion, that simply is not right. Those funds are maintained by highway and airport users and are dedicated to improving our highway, mass transit and airport facilities, and it's dishonest to keep such substantial balances in those accounts.

If the cash were in the accounts, it would be one thing. But since the cash has been spent for other functions of Government, it even makes it more dishonest, because it's an accounting procedure, and the money has been spent because of a failure to prioritize the importance, I think, of the infrastructure in the overall needs of our society and the overall needs of where we can spend some money and really benefit the people of this country.

The Congressional Budget Office tells me that at the end of this fiscal year the highway account will have a balance of $11 billion. The mass transit account will have $2.6 billion in uncommitted funds. The Airport Trust Fund will have $7.6 billion uncommitted. That's unacceptable, particularly at a time when people in Wash-

ington are seriously considering whether to raise Federal fuel taxes in order to reduce the deficit.

Just before Congress left town, I introduced S. 3001, the Transportation Investment and Trust Act of 1990, to spend down the balances in the two transportation trust funds and help protect them against spending controls intended to reduce the general fund budget deficit. My bill would authorize a two-year increase in funding for the Federal-Aid Highway, Mass Transit, and Airport Programs beginning in fiscal year 1991. It provides an annual increase of $2.8 billion for highways, $1 billion for mass transit, and $1.8 billion for airports.

According to CBO, by the end of the two-year authorization, the highway account balance would be $1.6 billion less than if we continue spending at the current levels, and balances in the mass transit account would be $1.9 billion and $2.5 billion less, respectively, than if we continue spending at current levels. That is at least heading in the right direction.

Senator McClure and six of our Senate colleagues have joined as cosponsors of the bill, and I expect a number of other cosponsors after Senators hear from interested constituents during this recess period.

For any of you who are interested in the bill, there are packets of information on the table.

Now I want to continue on with the witness list, but I might just say as a little editorial comment that I've spent the last week in northern Idaho, including up north of Bonners Ferry in Sandpoint, St. Maries, down to Lewiston, back up to Moscow and Coeur d'Alene, traveling all that area by car, and just as an observer looking at that with the traffic that comes down from Canada and with the potential to have tourists come from Canada and spend their money in Idaho, to have the trucks come through to Lewiston to the port instead of heading west when they hit Interstate 90, there could be a real case made that we could easily get back the money that it would cost us to build a very good expressway from the Canadian border on down through Idaho so that people could actually access it.

The people are coming anyway, the traffic is coming anyway, but it's bottlenecked, it's held up, it's slowed down, and there's a genuine boom going on between Coeur d'Alene and the Canadian border, and one thing that is desperately needed is a better road, and it would pay off, I think, for all the citizens of Idaho if we could come up with some kind of a solution of how we could get better roads throughout the State.

Now it's a real pleasure for me to have here my good friend and colleague from the House, who I expect and hope to be my colleague in the Senate next year, the Honorable Larry Craig. Larry is a member of the House Public Works Committee, which deals with these transportation issues.

So, Congressman Craig, we welcome you here this morning and look forward to your testimony.

STATEMENT OF HON. LARRY E. CRAIG, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IDAHO

Mr. CRAIG. Senator Symms, thank you very much, and a very special thanks for bringing this subcommittee to Idaho and taking testimony of Idahoans and other area citizens who are involved in or responsible for the transportation needs of this State and the region.

You've spoken very clearly to some of our concerns, and I must say that many of my interests in the House as a member of the House Public Works and Transportation Committee parallel yours as it relates to trust funds and trust fund values, and there's now approximately $20 billion, as you've calculated, in the trust funds that are really in terms now excess that should be spent out.

Many of us on the House side have been working the last several years to move that trust fund off budget. We were nearly successful last year, missed by a very narrow vote on the floor, that kind of effort will once again be at hand this year, and I think now, as clearly a majority of the members in the House believe, that it is clearly time to begin to pare away at the unified budget effort that has really ended up in masking many of the monies that are held in trust funds and therefore used for deficit shielding instead of for the purpose for which they were collected.

If I could very briefly this morning speak to some of the needs and some of the thoughts I have as it relates to a time when we reauthorize the Surface Transportation Act and the responsibility of both the House and the Senate in doing so, we have begun hearings on the House side much like the hearings you are holding here to gain as much information as possible before we begin the process. I have focused, as the House committees have focused, in three primary areas that we think are critically necessary, especially in the rural west and other rural parts of the Nation—resurfacing of the decaying roads, replacing of crumbling bridges, and the maintenance and rebuilding of what is very much an aging infrastructure.

We are sitting here in Ada County. Ada County, in general, has experienced very real difficulties in trying to keep up with a growing population and the need to replace bridges. We've heard of closure on occasion that has dislocated traffic flows and caused discomfort in the flow of the economy of this city and the county at a time when, of course, we see a tremendous amount of money being spent here to relocate highways and transportation routes.

Frankly, thanks to you, Senator, for a lot of that money coming here. It has created a lot of positive effort and will help greatly this city, but the county itself is having some difficulties, and I think it speaks to our rural needs and the need to spend the monies, as you discussed.

So I think the fundamental questions that I'm asking as I attend these hearings and listen to testimony is, what will our priorities be for the reauthorization, and how are we going to pay for them and from whom? In other words, who will be primarily responsible for the lead on infrastructure replacement and the crumbling bridges and the resurfacing?

President Bush and Secretary Skinner proposed a plan earlier in the year entitled "Moving America Ahead: Blueprint for New Direction and New Opportunities," and while I think it's a good starting point, Senator Symms, I have difficulty with it as to where the burden is placed and to the funding responsibility that was proposed within that proposal. I don't believe that you can shift substantial portions of that responsibility to States.

As one of your graphs already demonstrates, States have assumed an increasingly larger role in the last decade as the Federal Government has remained relatively static. And in rural States like Idaho, that responsibility is even a greater burden if it were shifted to us in our inability to pay simply by the sheer numbers of people involved, the consumption of the fuel, or a per capita approach as it relates to our rural needs and our lane-mile concerns.

Let me propose 10 areas that I have focused on, 10 points that I think are fundamentally necessary in maintaining our rural transportation needs. First of all, as I mentioned, I think the Highway and Aviation Trust Fund must come off budget, and it must be spent for the purposes that it was intended. It's fundamentally important for honest accounting and convincing those who pay in that that money will return for the purpose of that which they paid it for.

I think at this time to raise the gas tax to offset the Federal deficit is foolishness at best. Many of us have worked very hard to convince Chairman Rostenkowski of the House Ways and Means Committee that that kind of a proposal is irresponsible at best. I think he's counted the numbers on the House side and has determined that he doesn't want to run the risk of demonstrating his irresponsibility by a vote on the floor.

An equitable balance between rural and urban areas is a point that I believe has to be maintained as we reauthorize the Surface Transportation Act. We have benefitted by, again, a demonstration of your chart, from what we sense is an important balance. There will be a rush, as you mentioned. In an era in which there will be fewer dollars going to interstate construction as we complete that system, there will be a fundamental schism or a battle between urban and rural needs, and we must maintain as best we can that balance.

A fourth area, to improve access to national systems from State and local highways, including the north-south connectors, as you've mentioned. Senator McClure, you, Senator Symms, and I joined together two years ago to change the priority of designation for 95, and the State Board of Transportation and the State Department of Transportation immediately responded by being able to direct more dollars there, and that connecting route that you traveled this past week from Coeur d'Alene to the Canadian border already we're beginning to see some improvement there, but, you're right; the needs and the use is well ahead of our ability to respond to those needs, although the State has now begun to focus more and more money in that north-south.

One of the arguments I place with many of my colleagues who represent rural western and mid-western States as we begin the hearings, the testimony, and the ultimate crafting of the reauthorization is that it is critically important that we stand together, rec-

ognizing that the grids that have received the primary amount of the dollars over the last several decades has been an east-west pattern. Today we cry out for monies going north-south, whether it's 95 here in Idaho or 93 in eastern Idaho and the southern part of our State, fundamentally important connectors for the economy of this State.

Clearly, the promotion of a partnership between the Federal, the state and the local governments is a point that has to be made and maintained if we're going to see a day when Ada County and other counties that experience rapid growth don't find themselves completely behind in their ability to stay with infrastructure demands as their county grows.

A sixth point is to provide flexibility to States in the allocation of Federal resources. We were able to do that, as I mentioned, with the redesignation of 95. Other types of activities like that are critically necessary so that it isn't the Federal Government telling the State government what to do but a partnership that says, "From State feedback, here are the best approaches toward solving these problems."

A seventh point, I think, is to increase the role of private enterprise and to stimulate investment in transportation. This does not have to be alone a Government responsibility. I believe that clearly there should be private incentive where it can best serve the private sector or where the private sector is so much ahead of the public sector. Through economic and development growth that they would find it necessary to build structure, to build a road, when it just simply isn't on the list or it isn't meeting the priority of the State, and the State then can work with them if those kinds of needs are shown or if there was an incentive, whether it be through a tax incentive or something of that nature, to stimulate some private involvement.

An eighth point is to increase emphasis, I think, on bridge repair in our rural areas. I am one of those who believes that, you know, you still can build out of good planking and good wood timbers some of the bridges that might be necessary in the rural areas but don't necessarily meet the Federal demands or the Federal specs of today. If those can be met for much less dollars, we can get on with the movement of our transportation needs without being bottlenecked simply because we're all standing in line waiting for the dollars to come so we can meet the Federal standards.

Throughout Idaho over the years we have been able to do that, we're less willing to do that today, and certainly our counties and highway districts are unwilling to do it because they can't. They're waiting for the Federal dollar, and they have to meet those kind of priorities when we know they can do it better and for a good deal less money.

A ninth area would be, of course, safety, reliability of rail transportation, and clear desire to assure that we work with the rail systems of this country to maintain openness of those lines and access. Whether it's agricultural mining or the forest products industry that needs those rails here in our State, it's fundamentally important that we work to assure their viability so that they can take some of the heavier weights off the roads that we're concerned about repairing and replacing today.

A tenth and final point I would like to make, Senator, is that in all of this we have seen a couple of dramatic examples in this State over the last several years that speak to the improving of emergency preparedness in the handling of hazardous materials and the accidents that result from them being on our highways and streets. There is no question that many of our rural communities that are adjacent to or that straddle major transportation arteries often times find themselves in need of responding to what they believe might be a hazardous materials spill.

Several years ago, in 1988, I held a series of workshops across Idaho on the rareness for initial response to hazardous materials incidences, and my ability to do that was a result of the Department of Transportation providing those kinds of information and current data. It's important that we continue to do that, that we work with our local units of government in their need for response, that the standards by which we expect our haulers and movers of materials across this country to perform be critical so that the public as a whole knows that we reauthorize the Hazardous Materials Transportation Act in a way that is clearly responsive to our needs and to the public concern of today.

Thank you very much, Senator. I appreciate the opportunity to come by to offer my thoughts. These are areas that I'm working to incorporate with the Public Works and Transportation Committee on the House side, I think, fundamental to the State of Idaho. I think all of us who are citizens of our State, were born and raised here, clearly understand that our economic viability and growth is largely dependent upon the ability to move goods and services. Interstates 95, 93 and other north-south connectors are now very, very critical to our future. Again, thank you.

Senator SYMMS. Thank you very much, Larry. I appreciate your comments. They're very well taken and well prepared, and I, in general, concur right down the list with the 10 items. I would want to let you know you're invited to stay here as long as your schedule permits to hear the witnesses and ask any questions that you might wish to ask.

The next witness is the Honorable Galen Reser, who is the Assistant Secretary for Governmental Affairs of the U.S. Department of Transportation.

Galen, we appreciate you coming out to Idaho and hope you're not only out here to do some business but that you get to enjoy a little of the good life out here.

STATEMENT OF HON. GALEN RESER, ASSISTANT SECRETARY FOR GOVERNMENTAL AFFAIRS, U.S. DEPARTMENT OF TRANSPORTATION

Mr. RESER. Thank you, Mr. Chairman, Congressman Craig. It's a pleasure to be here today representing the United States Department of Transportation and the Secretary of Transportation, Samuel Skinner. We appreciate your invitation and are pleased to be here to discuss the future of the Federal-Aid Highway system and other related issues.

Before I give my formal statement, I would like to take a second to introduce to the Committee my sister-in-law, Marcia Gronsdahl,

sitting here behind me, who is hosting my wife and my child for the next two weeks here in Idaho. This has become an annual vacation for my family and I appreciate the opportunity to testify before the committee, but we're really here also to take advantage of your great State.

Senator SYMMS. We welcome you here this morning, Marcia.

Mr. RESER. Mr. Chairman, as you know and as Congressman Craig commented, the Department, under Secretary Skinner's leadership, began a process a year ago to develop what we call a National Transportation Policy. In fact, I have to make note of the fact that of the more than 100 public hearings that we held on our policy, the first one took place in Moscow, Idaho, last July, approximately 200 miles north of here.

This was an attempt on our part to reach out and to do what you're doing here today, that is, to hear from the people of this country about our current transportation system and what they would like to see in the future. This outreach process took us about a year to complete, and, of course, it led to the development of our National Transportation Plan, which the President personally unveiled earlier this year at the White House.

Those of us in the transportation profession today are faced with many challenges for the future. These challenges stem to a large degree from the reality that our product, which is safe and efficient mobility, significantly affects the daily life of each and every American. Such a broad-based constituency inherently leads to the challenges we face and which you are addressing here today.

In the near term, the need for reauthorization of the Federal Surface Transportation Program represents the ultimate manifestation of these challenges. We must put in place a responsible mechanism to provide for the Nation's mobility and future productivity. Our National Transportation Policy provides a strategic framework for that national investment of time, of money and of commitment, and it shapes the movement of passengers and goods into the 1990's and beyond.

The policy uses a common sense approach of focusing our limited resources on systems of national significance and promoting our national priorities, such as improving mobility and the efficient movement of goods, providing jobs and improving the quality of life for all Americans. Our policy is intermodal in nature and is driven by the freedom of the marketplace and focused on moving America toward a transportation system that will carry the U.S. into the next century.

Our policy has already provided the basis for the aviation reauthorization legislation, that we submitted to Congress earlier this year. That package, has made it through the House of Representatives and is currently pending in the Senate. Of course, next year we will submit the surface bill, the major highway bill.

Senator SYMMS. And your airport bill basically will really hit this surplus in the trust fund, in the Airport Trust Fund. Is that not correct?

Mr. RESER. That's exactly right, Mr. Chairman. Over the next three years, the Aviation Trust Fund balance would essentially be eliminated if the bill that was passed by the House is enacted into law. Let me say parenthetically that nobody would more welcome

putting these trust fund issues behind us than those of us in the Department of Transportation. It is a subject that is much debated and much discussed, and we'd just as soon see it go away—and that is to say, to see those monies spent for the purposes for which they were collected.

As you know, Mr. Chairman, under the current program, most Federal-aid funds are apportioned to States in accordance with formulas that give weight to population, area, mileage and relative costs. The States are responsible for determining how the money will be used within the legislative and administrative guidelines issued by the U.S. Government. States have the option of further distributing these funds in the forms of grants and aid to local governments for use on eligible roadways under their jurisdiction. However, most roads in rural areas are on State systems, and Federal-aid projects on them are administered by the States.

Where the Federal Government is funding, operating and regulating areas that are not necessary or appropriate, that involvement should be reassigned or eliminated. We know that State and local governments have already assumed greater responsibility in transportation, as you pointed out. This can, and we believe should, continue. However, it is not anticipated that the basic roles of the Federal, State and local governments will change substantially in the post-interstate era.

I'd like to touch on a point that Congressman Craig made in regard to the National Transportation Policy. I think that some people, and perhaps some of those in the media, saw our policy as a statement that essentially advocated abrogating the Federal role in transportation. That simply is not the case. We do not, and in no way does our policy, say that the Federal Government should get out of the transportation arena, but as the chart in the middle shows quite clearly, the State and local governments are in many ways surpassing the Federal role. They're taking it on themselves, and they're paying for it essentially by gas tax receipts.

Whether those receipts are collected in Washington, D.C. and then funneled through us to the States or collected directly at the State and local level, that's essentially the lead source for funding for these improvements. We simply applaud the State and local governments for doing more, and we believe that they really are the best judges of where those resources should be spent and directed. If they keep the Federal Government out of it, the better, as far as we're concerned.

Mr. Chairman, in your letter of invitation you expressed interest in several highway transportation issues affecting rural areas. As we all know, farm-to-market transportation is critical to the national economy. An efficient and well-maintained rural road system is important for the movement of goods and services to the farm and products such as grain, produce, milk and timber to the marketplace. If major parts of the transportation link with rural America are too slow or too expensive, American agricultural products and non-agricultural products manufactured in rural areas would be impacted.

Let me make a point here, Mr. Chairman, and I'm sure you recall hearing this from Senator Moynihan with some frequency in Washington, he likes to point out that in the Soviet Union, where

they have a rather ancient and very non-efficient transportation system, they can't feed themselves right now, because even though they may grow enough grain and food stuffs to feed their people, they can't get that food to market. Upwards of 50 percent of all the grain that is grown in the Soviet Union on a yearly basis essentially rots where it's grown or along the roadway because they can't get it to the major processing centers in that country.

We don't have that problem in this country by and large, and we want to make sure that we don't. That's the challenge, I think, that you're addressing here and which we face nationally—to continue to develop our transportation system to make it as efficient as possible.

You touched on the fact that rural areas have benefitted from Federal highway spending. I think the first chart here which shows your ratio apportionments at about 2.6 percent speaks for itself. That, I think, is also a great tribute to you, Mr. Chairman. In your role in the Senate, you do protect the interest of rural America. The fact that a State like Idaho gets back 260 percent more—than the monies the State puts in, is a great tribute to the work that you do and Congressman Craig, obviously, on the Public Works Committee on the House side.

Senator SYMMS. Of course, you understand we deserve it, because the Feds own this State.

Mr. RESER. Well, that's a point that I'd like to touch on here. Certainly, the rural highways needs on Federal lands is a very important issue. These are special highways needs on land that is owned by the Federal Government, and, of course, there are several categories of rural roads that serve Federal lands, these consist of forest highways, park roads and parkways and the Indian reservation roads. The funding for these roads is derived from the Highway Trust Fund under the Federal Lands Highway Program.

One thing that we didn't discuss, Mr. Chairman, is obviously the recreational and tourism travel that has blossomed in many parts of the country, including Idaho. It's the third largest service industry in the United States, and many States have initiated scenic byway programs through their tourism offices and highway agencies. Recreational and tourism travel continues to be an important part of economic development in rural areas.

Your letter of invitation also touched on rural road safety. In the United States, there is an estimated 3.1 million miles of rural two-lane highways, which represents 97 percent of rural mileage and 80 percent of all highway miles. While most of these roads carry relatively low traffic volumes, with approximately 80 percent of them having an average daily traffic of less than 400, much of the rural two-lane highway system is in rolling terrain or mountainous areas, with only 31.5 percent in flat areas.

Common geometric problems of rural two-lane roads include narrow lanes and shoulders, unstabilized shoulders, unsafe road sides, et cetera, and we believe that this is an area that we've got to be concerned about. We are attempting to assist the States in improving the safety on rural highways, and in fact we've just recently published a brochure, an informational guide, on the safety and cost-effectiveness of incremental changes in cross-section design. We continue to present information to State highway de-

partments to help them estimate the cost and safety benefits which would be expected from the adoption of various improvements on specific sections of rural two-lane roads.

Mr. Chairman, my statement also touches on the issue of truck size and weight. If you want to get into that during the question period, we can do that. Transportation safety I touched on. Let me just say in conclusion that in many ways the issues and specific problems of rural and urban America seem to be separate, but in another respect they are the same—the need for safe, efficient and reliable transportation options to provide access and ensure future mobility for a growing American population and changing economy.

One of the National Transportation Policy's goals is to encourage State, local and private efforts to preserve and enhance efficient transportation service in rural areas lacking effective connections. We feel that the National Transportation Policy will assist in coordinating all available resources toward the achievement of this goal.

That concludes my prepared statement. I'd be pleased to respond to any questions you might have.

Senator SYMMS. Galen, thank you very much. I hope you can stay at the podium for another few minutes if you have the time. I failed to call up your colleague from the Intermountain Region of the U.S. Forest Service, Mr. John Lupis.

John, I'm sorry, I meant to call you up so you could present your testimony before we have any questions. Please go ahead.

STATEMENT OF JOHN V. LUPIS, DIRECTOR OF ENGINEERING, INTERMOUNTAIN REGION, U.S. FOREST SERVICE

Mr. LUPIS. Mr. Chairman, thank you for this opportunity to discuss the Department of Agriculture's views concerning rural and National Forest transportation needs.

The National Forest system contains 191 million acres of forest and range lands in 44 States, Puerto Rico and the Virgin Islands. Last year in 1989, total National Forest system revenues were more than $1.8 billion. The National Forest resources for the National Forest system are among the Nation's greatest assets. They affect the economic, environmental, recreational and social well-being of all Americans, including the economies of many rural communities within or near National Forests.

Demographic, economic and social trends indicate that the demand for public land and water resources is increasing at a rapid pace. More people are pursuing a wider range of activities on public lands than ever before, and most Americans live within one day's drive of a National Forest. Almost all of these activities depend on roads. Road management and development are integral parts of managing National Forest system lands.

As a way of providing some background on the level and magnitude of Forest Service interests in this geographical area, I would like to share some information about the National Forest system here in the State of Idaho. There are 10 National Forests in Idaho. National Forest system lands total about 20.5 million acres and is

38 percent of the land area of Idaho. Thirty-five of 44 counties in Idaho contain National Forest system lands.

National Forests within Idaho contribute a wide variety of resources, including 24 million Recreation Visitor Days, one million Animal Unit Months of grazing, and 860 million board feet of timber. Activities on the National Forests provide a major contribution to Idaho's economy. Rural communities in Idaho depend on a steady, long term flow of goods and services from National Forest system lands. The continued flow of goods and services can be obtained by building and maintaining an effective transportation system.

A coordinated system consisting of State highways, county roads, and forest development roads is essential to the economy of many rural communities. The National Forests and surrounding communities are served by the public road system and the forest development road system. Each of these systems is unique. The public road system, consisting of State and county roads and bridges, provides access to get forest users from their homes to the forests and links forest resources to manufacturing and milling sites. Public roads serve all segments of society and are funded by the Highway Trust Fund and State and local taxes.

Forest development roads, on the other hand, are roads administered by the Forest Service for the protection, utilization and administration of National Forest lands and resources. Technically, forest development roads are not public roads, but they are available for public access to the National Forests. These roads provide the access needed to move people and resources within the forest and connect to the public road system.

The transportation system is like parts of a tree. The tree's trunk is represented by State highways, the limbs are county roads, and the twigs are forest development roads. Similar to a tree, all of these parts are important. Forest users and forest commodities rely on an interconnected network of roads. Future transportation needs within the National Forest system are determined by the access requirement of future resource programs, as outlined in forest plans.

Current trends show a shift in age distribution to a more mature, affluent user with more time to participate in outdoor recreation. Road use by people driving for pleasure will continue to increase, also. In addition, today's National Forest users expect safety, comfort and convenience from local, State and Forest Service road systems. These trends provide rural communities opportunities to diversify and enhance the local economies. The Forest Service transportation system is important to such rural economic development.

Two Federal Lands Highway Programs provide funding for construction and reconstruction of State and county roads important to the Forest Service. These are the Forest Highway Program and the Public Lands Highway Program. Forest highways are public roads on or near National Forests. Public lands highways are Federal-aid system roads that are located on and pass through Federal lands.

The Surface Transportation Act of 1987 authorizes $55 million for forest highways and $40 million for public lands highways annually through fiscal year 1991. Combined, the forest highway and

public lands highway funds make a significant contribution to improving public roads important to the management and use of National Forest system lands and resources. We support these programs.

Another critical program to us is the Emergency Relief Program for Federally-owned roads. Each year significant natural events, such as floods or landslides, occur somewhere on National Forest system land resulting in an average of over $9 million of damage. The Emergency Relief Program permits immediate repair without disrupting ongoing agency programs. Serious natural resource program shortfalls would certainly occur without this vital program.

In summary, I would like to emphasize three points. First, our National Forest system lands will continue to provide a wide variety of goods and services to our forest users, but this is only possible with an effective transportation system, and this requires a continuing commitment to all segments of the rural road system, including forest development roads, county roads and State highways.

Second, as a part of the Presidential initiative for rural economic development for the 1990s, the Forest Service is assisting rural communities achieve long term economic development and improved quality of life. Achieving this goal requires a commitment to work in partnership with rural communities to maintain adequate transportation systems.

Third, both the Federal Lands Highway Program and the Emergency Relief Program for Federally-owned roads have been and will continue to be important to accomplishing our Forest Service mission.

I'd be pleased to answer any questions or provide any additional information you might like.

Senator SYMMS. John, thank you very much for an excellent statement.

Also, Galen Reser, thank you very much for an excellent statement from the Department of Transportation. I just wanted to have John verify this with me for your benefit primarily, Galen, and that is that he mentioned that the Forest Service owns 38 percent of the land in Idaho, but there's another 26 percent that the BLM owns. That's the Department of Interior, we just wanted our friend from the other department to realize that we're talking about 64 percent total, not 38 percent total. So that is correct.

I thank you both very much. I appreciate you both being here. We may have some questions to submit to your agencies in writing. Thank you both so much for being here this morning.

Panel number two is Mr. Kermit Kiebert of the Idaho DOT; Richard Backes, Director of North Dakota DOT; and Jim Hawkins, Director of the Idaho Department of Commerce.

If all three of you could please come up to the witness stand, we'd appreciate it. Gentlemen, we welcome all of you here, and we're delighted to have you here. We'll start off according to the witness list.

Kermit, it's always good to see you. I've appreciated so much working with you over the years and the many members of your Department. I won't try to name all of them, but George Numeyer among some of them. But thank you for being here this morning.

Gentlemen, I'm going to ask you all to make your best effort to keep to five minutes. I've got another hearing in Soda Springs tomorrow, and I do want to be sure I get there.

Go right ahead.

STATEMENT OF KERMIT V. KIEBERT, DIRECTOR, IDAHO TRANSPORTATION DEPARTMENT

Mr. KIEBERT. Thank you, Mr. Chairman, and I'll do it as quickly as possible. First of all, I want to express my appreciation for being here, and I'm particularly happy with the charts. I think that's very representative of what you've been doing for us, and we're appreciate here in Idaho for your efforts.

I am Kermit Kiebert, Director of the Department of Transportation here in Idaho, and I want to thank you for the opportunity to testify on these rural issues. Our testimony is structured in response to the items listed in the invitation to testify.

The roles of Government should give priority to most efficient solutions, most direct responsibility for tort liability, most direct responsibility for planning and project engineering decisionmaking, and accountability to Congress for achieving objectives. Concerning the Highway System of National Significance, the Federal role should ensure continuity of the national network of highways and be an equal partner of the State in decisionmaking for increases in capacity. The States should have greater discretionary authority concerning preservation, reconstruction and rehabilitation, engineering decisions on both the HSNS and flexible Federal aid projects.

Federally-required information reporting or management systems should not control individual project design or scope.

The role of the Federal Highway Administration should be reexamined in light of the fact that States have become highly sophisticated in engineering and regulatory compliance since the advent of the interstate system in 1956. It is time for the Federal Highway Administration role to be primarily that of auditing to ensure that transportation funds are spent on transportation, auditing Federal regulatory compliance, fostering applied research by the large State transportation departments, continuing the Strategic Highway Research Program, pursuing basic research through the Transportation Research Board, and providing information to Congress on the meeting of transportation objectives across the four- or five-year life of the authorization.

Provided that the HSNS Program and the Flexible Federal-Aid Program are equally funded, the States should have the discretion to transfer up to 20 percent of their total apportionment to either the HSNS or flexible program without Federal agency approval. This transfer provision would allow States to make the most efficient use of Federal aid.

Design standards for rural highways are already in existence in AASHTO guidelines and standards for rural highways. The States can responsibly provide the necessary flexibility and application of the AASHTO rural standards because the States are directly responsible for tort liability.

Design engineering and project scope decisions are needlessly complicated by Federal approvals. The increased cost due to excessive Federal involvement of decisions is further compounded by the lack of personnel continuity in division, region and national levels.

Engineering and project scope decisions should not be confused with the recognition of design standards. By definition, highway design standards are guidelines with a range of application depending upon interpretation of varying conditions. Project design and specification decisions for reconstruction or rehabilitation would be best served under State discretion.

The States have the expertise and the procedures in place to make project engineering decisions without FHWA approval or excessive requirements for documentation of alternatives considered.

As a case in point, Idaho had to spend 100 percent State funds on the grinding of five miles of Interstate 84 and transfer the Interstate 4R funds to U.S. 95 because the Federal level could not agree with the Federal guidelines for the pavement rehabilitation. This inefficiency of decisionmaking could be avoided if the State had the sole discretionary authority for engineering and project scope decisions on rehabilitation, reconstruction and resurfacing projects.

If safety is retained as a separate category, hazard elimination safety, or HES, funds should be combined with rail crossing protection funds. The current hazard elimination criteria requires that fatalities at a project location exceed the State-wide average before HES funds can be applied to the project. Since rail crossing projects are funded based on the probability for accidents, the Idaho Transportation Department sees no reason why HES projects cannot be funded based on an accident or fatality probability assessment by the State.

If safety funds are incorporated in the Flexible Aid Program, there would be no problems in expressing safety construction intent, and, over the life of reauthorization, the expenditure of funds on specific safety objectives could be reported to Congress.

The Federal fuel tax increase for other than highway purposes would diminish the economy of rural Idaho, because there would be no benefit to the transportation system through projects that reduce transportation cost. If a Federal fuel tax increase was fully applied to transportation, with rural highways sharing as donee recipients, the increase would be beneficial to rural areas. Additional funding for rural highway projects would benefit the Nation because reduced costs for moving agricultural and natural resource products and recreation access serves the national interest.

Apportionment formulas may be based on such elements as the vehicle miles of travel, total public mileage and diesel fuel consumption if the formulas provide adequate funding for rural high mileage, low population density States. If the apportionment formula is constructed to return the interstate completion funds to the donor States, the rural States should receive an apportionment equal to that under current formula less interstate completion with the exception of a .5 percent of interstate completion funds added to the interstate rehabilitation apportionment.

Depending upon the structure of a new formula designed to benefit donor States, a formula apportionment supplement for low population density States may be necessary. Rural high mileage, low

population density States should also share in any increase above the current Federal Highway Trust Fund revenues.

Idaho's overall recommendation concerning Federal Highway Trust Fund apportionment is that the donor/donee relationship between the States should be continued in the interest of having a viable highway system Nation-wide. Matching ratios for all Federal-aid highway projects should be 85 percent Federal share and 15 percent State or local share. Idaho opposes having Federal-aid matching ratios that are different for portions of the highway system because the planning and management of the system would tend to be distorted in order to obtain the highest matching ratio.

Lowering the Federal share of the matching ratio below 85 percent would mean that Idaho's Highway Program would be entirely Federal and would be no more flexible or cost effective than Federal regulations allowed it to be and that Idaho would construct fewer miles of repaving of existing highways.

The provision in title 23, section 120, for sliding scale matching ratios for States with non-taxable National Forest lands, Federal public lands, Indian lands and national parks and monument lands must be retained or Idaho would be seriously reduced in the capacity to fund Federal-aid projects through Federal lands. Removal of the sliding scale matching provisions through non-taxable Federal lands would be the equivalent of imposing a penalty for having such lands exist within the State.

The current critical bridge funding apportionment is based on needs expressed in dollars. This method of apportionment provides incentive to delay the replacement of very large bridges in order to obtain the maximum apportionment. Since Idaho has no large bridges with sufficiency less than 50, the critical bridge apportionment is at the minimum. Idaho's critical bridge apportionment has decreased faster than the rate of replacement. Because of this, the maximum funds that can be annually allocated to local off-system bridges has diminished to $1.3 million for the entire State, with over 380 local bridges that have a sufficiency rating less than 50. Critical bridge funding apportionment should not be based on cost-to-replace needs.

Under current Federal code, if the State or local road jurisdiction forces do work on a Federal-aid project, that work may be credited in lieu of cash match for the project. Donated work or materials from the private sector or from non-road agencies should have an equal opportunity for being credited to the local or State match in lieu of cash. The feasibility of crediting private sector work and other agency engineering work in lieu of local cash match has been demonstrated successfully in Idaho on a Federal-aid project in Benewah County. The crediting, however, required a special provision of Federal code. In the next reauthorization, provision should be included to allow the crediting of private sector work or work by other agencies in lieu of cash match on local- or State-sponsored Federal-aid projects.

Rural areas and communities are economically dependent on the transport of products and commodities because at least 25 percent of the market price of products is attributable to transportation costs. Higher gross loads will not adversely affect rural highways if axle weight and capacity is compatible with the road and bridge

load bearing capacity. The Idaho Transportation Department supports the WASHTO Highway Transport Subcommittee recommendation that the maximum gross vehicle weight be increased to 129,000 pounds in accordance with the Federal Bridge Formula "B" for axle weights and axle spacing.

All of Idaho's highways through Federal lands are necessary for commerce and commercial trucking, as well as for general public travel and access to Federal lands. As an example, all the highways serving the port of Lewiston carry interstate trucking that must go through Federal lands on primary highways. At the same time, these highways are travel and access routes for tourists and recreational travelers. Key sections of these highways needs widening or added lanes in order to safely accommodate the mix of traffic.

The Forest Highway Program and funding for public lands should be continued in the next Highway Trust Fund reauthorization as aid to adequately fund rural highways through Federally-owned lands.

All of Idaho's 5,000 miles of State highways and 29,000 miles of local highways support agriculture, resource production or rural industry. Diminishment of Federal-aid or reducing the Federal share of the matching ratio will severely impact the ability of Idaho to provide highways for commerce, tourism and public travel.

Because Idaho has no north-south interstate route and the only north-south surface transportation route is U.S. 95, it is essential that the current eligibility provisions for U.S. 95 for Interstate 4-R funding be retained for Idaho. U.S. 95 serves the port of Lewiston and is the only north-south connection in Idaho between Interstate 84, Interstate 90 and the Canadian border.

There is concern by many rural States that local Federal-aid secondary, urban, and critical bridge funding may disappear or be lost in a flexible highway program of the next reauthorization of the Federal-Aid Highway Program. At the same time, there is considerable need by the high population States to have Federal-aid funding with a high degree of flexibility.

The Idaho Transportation Department recommends that the flexible half of the Highway Program in the next authorization be structured to include funded categories for secondary, urban and critical bridges.

It is strongly recommended, however, that a fully flexible Highway Program option, with secondary, urban and critical bridge funding incorporated, but without categorical restrictions on the use of the funds, should be described in the reauthorization act and the State transportation department provided the discretionary option to elect to utilize the fully flexible program with a reporting system for addressing category objectives over the life of the act.

With the foregoing recommendation for providing secondary, urban and critical bridge categories within flexible program, and provided that the State transportation department shall have the option to utilize a fully flexible program without categorical funding limitations, and with the proviso that the apportionment formula will need close attention, the Idaho Transportation Department supports the June 1990 recommendations by the California

Transportation Department for a post-interstate national surface transportation program.

Mr. Chairman, on behalf of the Idaho Transportation Board and myself, I thank you for the opportunity to be here and testify.

Senator SYMMS. Thank you very much, Kermit, for an excellent statement on behalf of the State and the Department. I will carefully review that again and I do appreciate your input to this hearing.

Mr. Backes, please go right ahead.

STATEMENT OF RICHARD BACKES, DIRECTOR, NORTH DAKOTA DEPARTMENT OF TRANSPORTATION

Mr. BACKES. Mr. Chairman, before I get into the formal presentation, I'd like to commend you for the stellar defense of American agriculture on the CMN Program a short time ago. As an agriculture producer for 41 years before taking this job, I truly appreciate it, and it brought some thoughts to my mind of all the crises that we have in this country—oil crises, S&L crises and food crises in Russia—the one crisis we don't have in this country is a food crisis, and I think it's been done at a minimal cost, and your defense of American agriculture is very much appreciated.

Senator SYMMS. Thank you. You're welcome.

Mr. BACKES. Mr. Chairman, I'm Richard Backes, Commissioner and Director of the North Dakota Department of Transportation. I appear here today to present a joint statement on behalf of my own State of North Dakota and also the States of South Dakota, Montana and Wyoming.

Maintaining an adequate highway system in rural areas is not only critically important to our States, but also to our entire Nation's economic future. So we appreciate this opportunity to present our views on the reauthorization of the Federal-Aid Highway Program.

The Federal-Aid Highway Program has been one of the most successful, long-running partnerships between Federal and State agencies. However, some suggest that wholesale changes should be made to the Highway Program because the interstate system is nearing completion. We disagree. We strongly oppose proposals to change funding formulas which reduce our funding or which reduce the Federal share and increase the State's matching share. Such proposals are devastating to rural States, who are limited in their ability to generate additional revenue.

In the balance of my testimony today we will first explain that it remains in the national interest for the Federal Government to invest in the present system of Federal-aid highways in rural as well as in other areas. Second, we will explain our support for increased highway funding in all areas of the country, rural and metropolitan. The need to increase funding is something you have addressed, Senator Symms, in introducing new legislation, Senate bill 3001, and we agree with you. Third, we want to describe the positions taken in the draft highway position paper which is attached to my prepared statement. While it is at this time still only a draft, it has been offered for discussion purposes by the Western Association of State Highway Transportation Officials.

Importance of rural highways to the Nation. An August 5, 1990, a Washington Post article about the Soviet economy may be an unusual place to find a compelling reason why good roads in rural areas are important to our economy, and a previous speaker talked about this point, but it is right on target. The Post reports that miserable country roads are among the reasons why during harvest time the Soviet Union loses as much as two million tons of grain daily. Inadequate transportation from farm to market and the resulting rotting of grain in or near the fields has led to warnings that Moscow could face a winter without vegetables or potatoes.

Senator SYMMS. As a matter of fact——

Mr. BACKES. Not in Moscow, Idaho.

Senator SYMMS. As a matter of fact, the Soviet Union grows twice as many potatoes as we grow in the United States, and they get to market with half as many potatoes.

Mr. BACKES. That's right. And that's the importance of rural transportation. We are not faced with a crisis of that magnitude in our country, but one of the reasons why is that the Federal-Aid Highway Program has invested in selected roads in rural areas. Federal assistance for rural roads on the Federal-Aid Highway System is vital to the Nation's overall system for moving nationally significant commodities such as agricultural products, timber and other natural resources from producing areas to markets. It is clearly in the national interest to move goods efficiently from farm to market.

The Federal-Aid Highway Program must continue to invest in roads in rural areas because efficient highway travel across these States provides tremendous benefits to the citizens of major population centers. Many of these States function as bridge States—and Idaho is certainly one of them—and provide connecting links between such important areas as the Great Lakes and the Pacific Rim. States like ours cannot afford to build and maintain solely for the needs of our own citizens long stretches of interstate and primary highways. Recognizing this, Congress has legislated a Federal-Aid Highway System under which roads across rural areas have been financed in part by taxes paid into the Federal Highway Trust Fund by citizens from metropolitan areas, and Congress should continue on that course.

This basic concept must continue if we are to have a truly national highway system so the citizens in major metropolitan areas are direct beneficiaries of those roads in ways beyond, for example, the amount of fuel tax that might be collected in North Dakota from a truck moving manufactured goods from Cleveland to Portland. That road helped create a market for the goods moved in that truck—a market needed by the people in the metropolitan areas to support their companies and jobs. Those roads allow manufactured and raw products, tourists, business people, moving vans, and our Nation's military to travel efficiently throughout the country.

In short, Mr. Chairman, there are good reasons why the Federal Government must make the investments needed to preserve the entire—and I want to emphasize—the entire current Federal-Aid Highway System. It is not in the national interest for the Federal Government to abandon its long-standing commitment to Federal-aid highways in rural as well as in metropolitan areas. Rural

America must not be abandoned by its Federal partner now that the emphasis has shifted from initial construction to preservation and rehabilitation. National interests cannot served by proposals to effectively reduce the focus of the Federal-aid system from roughly 840,000 miles to only 150,000, and even less in later proposals that have come out of FHWA.

Senator Symms, we agree with you and many others in the Congress that the present level of highway funding is simply inadequate. At this time, no State or region of the country is able to do as much work as it must to maintain or preserve, much less improve, the highway system within its borders. The problem is not that some States are receiving too much, but that all States need additional revenue.

While we recognize and are concerned about the size of the Federal deficit, there are two main reasons why we support a Federal highway funding increase. First, the Federal-Aid Highway Program is supported by user fees, which are placed in a trust fund to be used for highway and limited transit purposes. The money has been collected and should be used for the purpose it was intended. Simply, there is money available in the Highway Trust Fund to support an increase in highway spending, and that money should be spent. Second, highway spending will produce an economic payoff for the Nation in terms of economic growth, productivity and international competitiveness.

Senator, you have cited these reasons in introducing Senate bill 3001, a bill which increases the size of the Highway Program by spending down the Trust Fund balance and removes the Highway Trust Fund from deficit reduction calculations. This is an excellent proposal, and you have our support. You will see that the draft proposal we have attached to this testimony also calls for increased Federal highway spending to draw down the Federal Highway Trust Fund balance.

Mr. Chairman, over the past year, North and South Dakota have worked with Montana and Wyoming on what has now evolved into a draft proposal entitled "A Federal-Aid Program for the 1990s." In reaching its current wording, we have received input and comments from several western States, and I might add that 12 States supported this in WASHTO out of the 17 States. I will briefly attempt to summarize some of the major points of that proposal.

One, funding for the Federal-Aid Highway and Transit Programs should be increased. This proposal calls for an immediate increase in the size of the Highway Program from the current annual funding level of approximately $13.5 billion to $16 billion. Each year spending levels for highways would include an amount equal to the annual user tax revenues that are collected, plus the interest on the funds in the highway account of the Trust Fund, plus an annual spend-down of about $1.5 billion of the Trust Fund balance.

Two, the first priority of the reauthorization of the Federal-Aid Highway Program must be to preserve the entire existing Federal-aid system. Future legislation should continue to fund programs directed at all components of the present Federal-Aid Highway System, not just a few roads, in recognition that the entire Federal-aid system is of national significance.

States should have increased flexibility to transfer funds between different program categories, including the authority to transfer funds between Federal highway categories or even to transfer without FHA approval. We have heard concern over the flexibility issue, particularly from the heavily population States, and we support more flexibility, because a national program can respond to that concern in a way which is not adverse to rural areas.

Motor fuel taxes should not be raised for deficit reduction purposes. Imposing highway user taxes for deficit reduction would discriminate against the citizens in rural States, who use more fuel per capita than the national average. Such a tax would also make it more difficult for State governments to raise their own highway user taxes to meet highway needs, and I think we've all seen economic statements of what higher taxes would do for deficit reduction purposes to our States' economies.

Much of the basic structure of today's Federal-Aid Highway Program should be maintained but streamlined. Our proposal reduces the number of funding categories from over 30 to 13. Under the draft proposal, major categories would be continued for Interstate 4–R, primary, secondary, urban, bridge, safety construction (including railroad crossings), and Federal lands. The basic existing allocation formulas would be maintained for distributing the funds through these programs.

Six, within the programs to be continued, increased emphasis would be given to the Interstate 4–R and safety programs. This reflects the relative importance to the Nation of preserving the interstate system and reaffirms that safety is a prime objective of any transportation program.

Seven, with the exception of interstate completion, where the matching ratio would remain at 90:10, the Federal-State matching ratios for the remaining programs should be no less than 85:15. In addition, the public lands adjustment provision should be maintained to accommodate States with a high proportion of their land areas owned by the Federal Government, such as Idaho. On this point, we emphasize that rural States with low populations and high per capita user tax payments have the least ability to raise funds to meet a higher match ratio.

And I think we all know North Dakota can raise $4 million from a one-cent gas tax; California raises $140 million. So we just don't have the capacity, and I don't believe Idaho does, either.

We think this represents an approach to future highway legislation which will serve our Nation well and will allow all States to share equitably in the growth of the program.

In conclusion, Senator, the future challenge is to maintain and build upon our past achievements by continuing to assure a safe, efficient transportation system promoting economic growth. This can be accomplished by building and expanding on the strengths of our existing Highway Program.

In summary, the Nation will be well served by a continuing Federal investment in highways in rural areas. These highways are vital to meeting national needs, including needs in metropolitan areas. We cannot afford to solve a problem in one area at the expense of another area. Budget concerns aside, it is in the national interest to increase Federal highway funding to preserve the entire

Federal-Aid System. This system serves both the needs of citizen mobility and movement of nationally significant commodities and resources.

Mr. Chairman, Senator Symms, we thank you for the opportunity to testify today. That concludes my statement.

Senator SYMMS. Thank you very much. You mentioned in this report that there were 20 States, and 13 of them endorsed this. Is that correct?

Mr. BACKES. No, 17 States in WASHTO; and 12 endorsed it.

Senator SYMMS. Was Idaho one of those 12?

Mr. BACKES. No. We're close. We're working on it, Senator.

Senator SYMMS. Well, we won't go into the whole reason why now, because that would probably tie up a lot of time, but I'll be interested in talking to you about that. Does this report have the States that did endorse it and those that didn't?

Mr. BACKES. I don't believe it has it, but I'll furnish that.

Senator SYMMS. You might provide that for the record. I'd be interested just to look at that, and I'm sure that some of them had particular reasons, and I'd be interested to know that.

[The information follows:]

North Dakota Department of Transportation
608 East Boulevard Avenue • Bismarck, ND 58505-0700

George A. Sinner, Governor
Richard J. Backes, Director

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August 23, 1990

The Honorable Steve Symms
United States Senate
509 Senate Hart Office Building
Washington, D.C. 20510

Dear Senator Symms:

Following my testimony at your excellent hearing in Boise, Idaho, on Monday, August 20, you asked me a couple of questions and I promised to send you additional information.

First of all, enclosed is a resolution passed by 12 of the 17 member states of the Western Association of State Highway and Transportation Officials (WASHTO). The states that supported this resolution are: Alaska, Colorado, Hawaii, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming. The dissenting states were: Arizona, California, Idaho, Oklahoma, and Texas.

At the hearing I distributed a draft working document addressing various components of a future Federal-aid Highway Program. North Dakota and South Dakota, with assistance from Montana and Wyoming, are the principal authors of this document with input from several of the other states, including Oregon and Washington specifically, on the transit aspects. I need to make it clear, however, that the working paper has not been officially acted upon by the WASHTO Policy Committee.

I really appreciated the opportunity to have appeared before your hearing. You have long been a supporter of the Federal-aid Highway Program and we wish you every success as you take the message back to Washington.

Sincerely,

Richard J. Backes

Richard J. Backes
Commissioner/Director

jam
Enclosure

Adopted 4/27/90
12-5

WESTERN ASSOCIATION OF STATE HIGHWAY
AND TRANSPORTATION OFFICIALS

RESOLUTION _____

TITLE: FEDERAL-AID HIGHWAY PROGRAM REAUTHORIZATION

WHEREAS, the Federal-Aid Highway Program will expire on September 30, 1991 and Congress is expected to enact legislation that will extend the program; and

WHEREAS, the present Federal-aid Highway Program has been one of the most successful, long running, cooperative partnerships ever undertaken by federal, state and local governments; and

WHEREAS, the existing federal/state partnership has worked well throughout its existence and has successfully developed one of the safest, most efficient surface transportation systems in the world; and

WHEREAS, the next extension of the Federal-Aid Highway Program will complete the Interstate System and move into the post-Interstate construction era; and

WHEREAS, the need for additional revenue to preserve the Interstate and existing Federal-aid highway system is evident, and

WHEREAS, not all states have the ability, without federal assistance, to generate adequate revenue for transportation projects; and

WHEREAS, WASHTO believes that an efficient, national transportation system is essential to support and expand our economic system and, to achieve that end, the nation must first assure preservation and safe operation of existing federal-aid highways; and,

WHEREAS, continuing the Federal-Aid Highway Program is essential to providing the nation with an adequate surface transportation system.

NOW THEREFORE BE IT RESOLVED BY THE WESTERN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS (WASHTO):

1. That the next Federal-Aid Highway Act preserve the Federal-Aid System; combine the existing Interstate 4-R and Primary categorical programs after utilizing existing apportionment formulas; maintain the Urban, Secondary and Bridge categorical programs and apportionment formulas and until the Interstate System is completed, also preserve the Interstate construction categorical program.

2. That the Federal Highway Trust Fund be extended indefinitely to provide permanent, predictable, and adequate funding for preserving and reconstructing the Federal-Aid Highway System.

3. That upon completion of the Interstate System, funds currently apportioned for Interstate construction be reapportioned to the states through the other Federal-Aid categories using existing apportionment formulas.

4. That each state shall maintain the existing 85% minimum allocation, and the existing 1/2 percent minimum apportionment provisions be retained in the highway funding categories.

5. That WASHTO supports a minimum 85% Federal share in Federal-Aid surface transportation programs while ~~processing~~ preserving the existing adjustment for Federal land ownership.

6. That the size of the Federal aid highway program should be increased and the programs shall be funded by spending each year's user tax revenues, plus interest, and a spend down of the Trust Fund balance:

7. That the states have the flexibility to transfer up to 20% of the revenue between each funding category without FHWA approval.

BE IT FURTHER RESOLVED THAT copies of this resolution be forwarded by WASHTO to AASHTO, the appropriate committees of Congress, the Secretary of Transportation, the Administrator of the Federal Highway Administration, and other officials of the United States Government that AASHTO's Executive Director may deem appropriate.

Version # 4

Senator SYMMS. I might ask one other highway question before we go to Mr. Hawkins. We have a trial buy-back program here in Idaho where the State goes out and buys back the Federal highway dollars and then the county can build the roads without all the regulations—Kermit, you might want to comment—how's that working and are other States doing that?

Mr. KIEBERT. I think you pretty well covered it. It's working very, very well. In fact, I think nearly all the counties, or about 80 percent, are using it, so it's worked out very well, and it gives them an opportunity to put a program together and get the money and get away from the Federal regulations.

Senator SYMMS. Are you familiar with this program, Mr. Backes?

Mr. BACKES. No, I'm not familiar with theirs, but we have a discretionary fund at my disposal. Where we get into Federal complications, we take the money from that county and use it in another one where it would be appropriate under Federal regulations and use State monies to help build that, and it's not been very costly, and it's been quite effective.

Senator SYMMS. In other words, some of these counties simply can't——

Mr. BACKES. There are some reasons, such as an archaeological site or a fish and wildlife site or something, that we just can't get through.

Senator SYMMS. You just cannot comply with all the red tape and everything that goes with it.

Mr. BACKES. Yes. You just can't get the permits or it takes too long or whatever.

Senator SYMMS. Jim Hawkins, the Director of Idaho's Department of Commerce.

Jim, we're delighted to have you here this morning and hear what you have to say, so please go right ahead.

STATEMENT OF JAMES V. HAWKINS, DIRECTOR, IDAHO DEPARTMENT OF COMMERCE

Mr. HAWKINS. Thank you, Senator Symms.

My name is James V. Hawkins, and I am Director of the Idaho Department of Commerce.

Transportation infrastructure is the public capital on which Idaho economy runs. For this reason, it is essential that the transportation facilities be periodically renovated and replaced. It is a necessary investment in the economy that reaps returns through increased productivity and efficiency in the private sector, and we have that deep concern for the private sector, as you know. For this reason, we ask that you take a long term view in making the necessary investment in our transportation system.

In my brief testimony today, I want to describe the unique transportation needs for Idaho and offer some thoughts for consideration as you determine Federal transportation policy.

The dominant features in the Idaho transportation picture are the State's rural nature and the fact that Idaho is a very large State, and it is crossed by two major transcontinental transportation corridors. Idaho is without a doubt one of the most rural States in America. By the Bureau of Census Standards, Idaho is

the 12th most rural State, with 47 percent of its population in places of population of 2,500 or less. Of Idaho's 44 counties, 19 are still considered to be frontier areas with less than six persons per square mile. Consequently, this represents and presents major challenges to the State's transportation infrastructure, as it serves a population widely dispersed across the rugged and varied terrain.

The marginal cost of transportation in Idaho calls for careful planning and generous resources in the construction and operation of infrastructure. Regional airports must be located to maximize the market they serve. Railroad lines must maintain and expand current business to justify maintenance costs. Highways must be built and upgraded to ensure safety, and to me safety is the paramount thing here, Senator Symms, for rural travelers as well as urban residents.

Railroad deregulation and the Staggers Act have also permitted rail abandonment in Idaho. Threatened with further rail closures, the State is concerned about rehabilitating and preserving remaining rail service to rural areas.

Another important fact in Idaho's transportation equation is the transnational traffic that crosses the State and uses its roadways and railways. The first corridor in the north is crossed by Interstate 90 and the historic Great Northern, Northern Pacific and, of course, the Milwaukee Railroad. It is the major surface transportation link between Seattle and our eastern markets. Southern Idaho, of course, is served by Interstate 84 and the Union Pacific Railroad. They serve as the major transportation link between Portland, Oregon; Salt Lake City; and points east.

The traffic these corridors carry demands the highest quality infrastructure and makes heavy demands on that infrastructure. One can see those heavy demands in the rutted sections of our Interstate 84 where heavy traffic that crosses Idaho has fully depreciated and depleted the railway system today.

Idaho can be proud of its history of meeting transportation demands, but it is increasingly difficult as a rural State. Rising construction costs and more State and local responsibility in other areas of government itself increase the pressures on Idaho as it attempts to maintain a good transportation infrastructure.

As a rural and large State, Idaho has unique needs in the transportation media of waterways, airports, railways, and highways. In all of these areas, we ask that Federal assistance be given with flexibility—and, Senator, flexibility is the key word. Often we see too many Federal strings attached—so that Idaho's unique needs can be met without arbitrary and irrelevant restrictions. It is essential that Idaho be given the resources and the flexibility to provide transportation facilities that are so basic to our economy.

As you know, Idaho has a sea port located in Lewiston, Idaho. This most inland port on the Columbia-Snake System has given Idaho and Montana farmers and Idaho wood products a competitive boost in world markets, particularly in the Asian area. We're grateful for Federal policy and resources that made this possible. We are hopeful that the Federal Government will continue to maintain and reinvest in this river basin system. We have also heard, Senator, of the possibility that the Army Corps of Engineers may begin to charge ports a fee for dredging, which would make

the Lewiston area cost prohibitive. Please do not allow benefits of Idaho's sea port to be short-lived.

Idaho air service consists primarily of regional carriers flying into eight terminals. While Idaho is pleased with the air service it receives, there are some localized opportunities to strategically relocate airports and increase market range. Through your Congressional oversight, we hope that you will ensure that FAA regulation remain flexible enough to allow for such a strategic move that we would need, for example, in the Sun Valley/Hailey area and others through the State.

In recent years, Idaho has lost several railroad branch lines to abandonment. Because railroads are nearly impossible to rebuild and right-of-way is so difficult to obtain, we regret this trend. The Department of Commerce would like to work toward building the traffic on threatened branch lines and assist the railroads in rehabilitating, rather than abandoning, important economic lifelines. Federal rail planning and rehabilitation funds are critical for this purpose.

As you consider the Surface Transportation Act of 1992, the State of Idaho urges you to contemplate the needs of rural States. While the Federal interstate system is near completion, the need for Federal partnerships in the building and maintenance of highways is far from over. Idaho has thousands of miles of primary highways, State highways, county roads, and Federal land roads that are used daily in the State's commerce. We ask that the U.S. Congress ensure that dedicated tax funds be returned to the States for their intended use with the maximum flexibility to meet our many needs.

A recent State-wide study of Idaho's transportation needs found that over $7 billion are needed to maintain and upgrade our highways, roads and bridges to acceptable standards, and this isn't for anticipated growth—it's just what they need to be today. That's a shocking number and should be. With such a monumental task facing us, Idaho can use every dollar rightfully allocated to transportation. Idaho is making a significant local effort to meet these challenges through a State gas tax and even allocated general funds to highway projects in fiscal year 1991.

We expect the Federal Government to reward our increased State efforts with the funds that ought to be allocated to transportation. Now is not the time to withdraw Federal support for important domestic needs like transportation that has gone without attention for too long. And that's unfortunate that we held it that long, Senator, that we didn't have an ongoing budget and meet those current needs as they passed over the past many years.

In summary, Senator, we ask that you remember Idaho's needs as a rural State, and I know you will, and the important role we play in the national transportation of our entire country. We are making a significant State effort to provide quality transportation infrastructure, but we need your help, and we need it with flexibility—flexibility to meet our unique needs as it may affect other States. And we ask that you allocate transportation dollars through just a plain, simple formula that treats our rural and urban needs in a quality manner.

Thank you very much, Senator.

Senator SYMMS. Thank you very much for your statement, and I know that you have spent a lot of time in your life between Boise and the Panhandle, being raised in Coeur d'Alene, and have lived here and still return here frequently, but I think it is very apparent that what I said at the outset about Coeur d'Alene. Have you had the opportunity to talk to a businessman in Bonners Ferry by the name of Richard Valelli?

Mr. HAWKINS. Dick Valelli. Absolutely.

Senator SYMMS. And I will submit his statement for the record. He has some shocking figures in it, but the numbers he presents reflect much higher demands on U.S. 95 from the Canadian border to Coeur d'Alene than what DOT has estimated. How do you two, looking at it from the State of Idaho's perspective, think those numbers look?

Mr. HAWKINS. Dick Valelli comes to the State of Idaho with a great deal of experience, living a great deal of his life in California in the development business, and experienced unbelievable growth in the areas in which they located their shopping centers. What he is saying in his testimony, and I haven't read specifically the letter you received but I have visited with Dick, and what he is saying is that the growth is going to happen here in Idaho. The State of Idaho is being discovered at this point in time, it is a great place in which to live, the same as Southern California when he lived there.

Unfortunately, they didn't plan for expansion. They didn't have the infrastructure in place to accept the expansion, and nothing can be any more disastrous than to have expansion without infrastructure, and he is giving fair warning of, I believe, about a 30 percent growth per year on highway's in northern Idaho, and I think by virtue of the Canadian Free Trade Agreement, the tourism business that's going on in the whole northwest, our partnership with British Columbia, Alberta, Washington, Oregon, Idaho and Montana will prove, I believe, that his numbers will be accurate.

Senator SYMMS. And if they are, if we can get the road connected from Canada to Lewiston, then the port is going to grow, also.

Mr. HAWKINS. There are some figures that have been developed over the past of shipping barley, for example, out of the Magic Valley north to Lewiston and then shipping out to the port that would save several cents a bushel if there was a proper realignment of the north-south highway. I've been traveling that road since 1954, and I survived. I think that's unique maybe in some cases, but it serves as a safe driver testing award. I hope that—and I say this sincerely—safety is the key factor. Once safety is brought into the highway system, the rest of it falls in place. Commerce can work, we can work with other States—it's just safety. If we can make the roads safe, the rest of it will work.

Senator SYMMS. Kermit, those numbers of $7 billion, has the Department had a chance to analyze that? It's frightening to see numbers like that. I don't want people to give up and say this is an impossible task and that we're not going to be able to do it. I personally believe that if we put our minds to it we can meet the transportation needs, but what's the Department's view of those numbers?

Mr. KIEBERT. The $7.3 billion, the Department feels, is justified. It depends upon your point of view in terms of priorities and how well you want to do something, of course. That includes both the local folks as well as the State, so that's our entire need, and in this coming legislative session, of course, we're going to work diligently toward trying to develop some kind of revenue increase that would be equitable and affordable to the folks and at the same time provide them down the pike with a much better transportation system.

Senator SYMMS. I've often maintained that if you just take a look at the capital city here in Boise, all through the 1960s and into the middle 1970s, the Federal Government spent something like $35 million on urban renewal. Most of it went to lawyers and planners. It didn't do anything to help the economy. Nothing happened. Once they knew the road was going to be built, the city is booming, and I really think that's true throughout the State. So, it's not really a question of if we can afford to do this, I think the question is that we can't not afford to do it, because that may be the only thing the Government can do to contribute to allow people to be more efficient, to increase their capacity for transportation.

Basically, from your point of view in commerce, you think that's probably generally in line, isn't it, Jim?

Mr. HAWKINS. Infrastructure is paramount, Senator Symms, for us to move our agricultural products, our other goods and services. We can and will continue to be an excellent export State, but without infrastructure it makes it very difficult, very costly, and we would not have the competitive edge that we would have in a world market that we need and we have today, but it's slipping.

Senator SYMMS. Well, I thank all three of you very much for your excellent contribution to this hearing. Thank you very much.

I'd like to call up the next panel, if I could. Honorable Tim Ridinger, Mayor of Shoshone; Dan Chadwick, Executive Director of the Association of Idaho Cities; Ms. Mary Hanson, Boise County Board of Commissioners; Ms. Donna Powaukec, from Nez Perce Tribal Employment; Mr. Charles Winder, Commissioner, Ada County Highway District; and Mr. Ray Stark, Chamber of Commerce. Taylor Bowlden will get you started here.

Tim, you'll be the first witness, and I'll be right back, but go right ahead and start. I'll be right here.

No, I guess that Ray Stark has to be out of here at 11:00, so to accommodate Ray Stark, if it's okay with the rest of you, we'll let Ray start off.

Please go right ahead.

Mr. BOWLDEN. Please go ahead, Mr. Stark.

STATEMENT OF RAY STARK, GOVERNMENT AFFAIRS MANAGER, BOISE CHAMBER OF COMMERCE

Mr. STARK. Thank you.

Senator Symms, thank you for the opportunity to comment on the 1991 Federal-Aid Highway Bill. My name is Ray Stark, Government Affairs Manager for the Boise Area Chamber of Commerce. The Chamber is a privately-funded business federation of nearly 1,200 member firms.

The Boise Area Chamber of Commerce, through committees and task forces, has devoted more time to analyzing transportation issues than any other governmental issue over the last four years. We have several policy statements on local and Federal transportation issues which reflect the collective voice of these nearly 1,200 member firms.

First, we have a policy statement supporting using all of the Highway Trust Fund for transportation needs. The idea of not spending all of the funds available in the Highway Trust Fund to make the deficit appear smaller is dishonest with the citizens and businesses of this country. The Boise Area Chamber of Commerce, secondly, also opposes any Federal fuel tax increase that would be used to make the deficit appear smaller.

A case can be made for a fuel tax increase if the money could be spent for roads, bridges and mass transit. This, of course, assumes that the Highway Trust Fund balance is spent down. A five-year Federal-Aid Highway Bill with spending authorization of $20 billion per year may not be unreasonable considering the vast needs in this country for new construction, repair of roads and bridges, and mass transit funding. By making the distribution pie bigger, there shouldn't be a conflict between roads and mass transit. If the pie doesn't get any bigger, we, of course, favor the emphasis on roads, since the money is coming from purchasers of motor fuels.

A new Federal-Aid Highway Bill should address the maintenance needs of the interstate system now that it is nearing completion. We have incredible investment in this system, and it must be regularly resurfaced. There also needs to be better connections between interstates. The new Federal-Aid Highway Bill should include funding for a national arterial system. There are only a few north-south interstates in the west, and in Idaho the Boise Area Chamber of Commerce supports improvements to U.S. Highway 95 as it connects Interstate 90 up north with Interstate 84 in southern Idaho and Interstate 80 in northern Nevada. A new trade agreement with Canada requires improvements to this highway as commerce increases between our two countries.

The new Federal-Aid Highway Bill will be extremely important to the economy of Idaho and this country, and I thank the opportunity for the Senator to be here in Boise today.

And if the Senator is within hearing distance, I do want to offer our encouragement as the Boise Chamber as you, Senator, continue to be diligent in your efforts to establish some common sense to the Federal-Aid Highway System.

Thank you.

Mr. BOWLDEN. Thank you, Mr. Stark. I made a note of your recommendation.

Mr. Mayor, please go ahead.

STATEMENT OF HON. TIM RIDINGER, MAYOR, CITY OF SHOSHONE, ID

Mayor RIDINGER. My name is Tim Ridinger. I'm the Mayor of the City of Shoshone. I am also third Vice President of the Association of Idaho Cities and have been serving on the Local Highway Needs and Assessment Council since it started in 1986, and I am also in

the trucking business transporting agricultural and timber products, which gets me involved in all aspects with my duties of transportation.

Transportation systems, principally roads, are very important to a State like Idaho, in which almost the entire State is classified as rural. Other factors that make rural roads important in Idaho is the fact that a large portion of the State is owned by Federal Government, and with our primary industries of timber, mining, agriculture and tourism, the Federal Government should continue to support rural Idaho and America and its road needs for a number of reasons.

First, railroads continue to drop rural service to agriculture, timber and mining interests. This puts more pressure on local and State roads from trucking. Second, if the Federal Government wants to keep the policy of providing a cheap and plentiful food supply for the American consumer, it is essential to make sure rural road systems are there to accomplish this.

Senator, with so much of Idaho belonging to the Federal Government and the trend of urban America wanting to take a look at these public lands and to take a look at rural America, this is putting increasing pressure on our rural highways, especially local roads in Idaho's rural cities and counties.

To facilitate rural roads, the Federal Government can help in several ways. The Federal Government needs to reassess highway specification on rural roads. At present, Federal-aid projects cost 30 to 50 percent more than non-Federal-aid projects. Federal programs should be more flexible, and the design should be more realistic. Federal programs should work with local officials to design practical rural roads.

In the area of matching funds, the Federal Government should look at reducing the amount of matches in rural areas and also let more in-kind match be used, even if it was done on the project before Federal money became involved. Again, Federal programs should not be so rigid. They should be flexible to work with different situations. Since rural roads benefit more than rural areas—these roads benefit the whole country in one way or another—the amount of local match should be reduced.

The Federal Government should also consider the impact of any Federal activity on local roads, whether it is a timber sale or building a new office complex for the BLM or other Federal agencies. The agency involved should consider their impact on the local road system and pay according to their impact to build and maintain an adequate road for their use.

Congress should also authorize the spending down of the Highway Trust Fund, not keeping the high balance to help the Federal deficit. This would help free up State dollars to help fund rural roads.

The most important item the Federal Government should and must do is not increase fuel tax to pay for the Federal deficit. Any Federal fuel tax at all should be used for the deteriorating roads in this country. If the Federal Government raised fuel taxes for deficit reduction, this would make it impossible for States to raise fuel taxes to help solve rural road and bridge needs. Any fuel tax increase, whether Federal, State or local, should be used on country's

roads and highway systems. Rural areas should get an equitable share, considering everyone benefits greatly from rural roads.

In Idaho, the benefit of larger trucks are evermore important because of the decline of the railroads in rural Idaho. Larger truck sizes help reduce the cost of shipping products. These larger trucks help get the product out in a timely manner, which is very important, considering our industries and climate. Larger truck size, when accompanied by more axles but less weight per square inch on the road than smaller sized trucks with the standard weight per square inch, cause less damage to the roads.

The disadvantages to larger trucks are obvious. Rural roads were not originally designed for these larger vehicles, causing safety problems. Most rural roads have been improperly built to carry heavy loads. With some help from the Federal Government and local government, realizing the benefit to our economy from increased truck size, we can solve this problem.

One large safety problem in rural Idaho is rail crossings. I have stated a decline of rural railroads, but much of Idaho is crossed by mainline rails. The problem is these crossing devices are so costly, and these mainline railroads benefit the entire country, so it is important that the Federal Government of rail industry make these crossings safe if rural America.

As I stated earlier, I serve on the Local Highway Needs and Assessment Council, and we completed a very detailed study of Idaho's roads and bridge needs. It is estimated through 1994 that Idaho's needs, including backlogs, is $7.3 billion just to keep the State's roads where they are, only upgrading the most urgent safety needs. I have included a copy of this report in my testimony, and I would hope everybody on the subcommittee would really look over that. This figure does not include improving the system at all, just maintaining it. The number is staggering to rural Idaho, but it is not only Idaho's roads, but the roads and highways are like this all over the country.

Rural Idaho is not asking the Federal Government to solve our problems but work with us. The Federal programs and agencies need to be more flexible and willing to pay their fair share of roads and maintenance. Congress needs to let us use the tools we need to support rural local roads. It is imperative that fuel tax dollars be used for roads and bridges and not budget deficit reduction. Fuel tax increases are better left to States so they can help support their rural roads.

Our highways and roads systems have helped make this Nation great, and we need to greatly support these valuable systems and not let them fall into total disrepair. Thank you.

Senator SYMMS. Thank you very much, Mayor Ridinger, and if you can, please stay here.

Ms. Hanson.

STATEMENT OF MARY HANSON, CHAIRMAN, BOISE COUNTY BOARD OF COMMISSIONERS

Ms. HANSON. Thank you, Senator Symms.

I am Mary Hanson, Boise County Commissioner, currently serving as Chairman of the Board. I am a member of the Transporta-

tion Committee for the Association of Counties. I am also a member of the Local Highway Needs and Assessments Council. This is the study that found our roads to be $7.3 billion behind in repair and maintenance in Idaho.

Boise County has a little over 1.2 million acres, of which 76 percent is owned by the Federal Government; 7 percent by the State; and 17 percent by private individuals. We have two State highways—Highway 21 and Highway 55—passing through our county which total 120 miles. Boise County maintains 240 miles of road, of which only 30 miles are paved. The other 210 miles are dirt. They're not even gravel. Our roads are used by loggers, farmers, daily commuters to the Boise Valley and tourists.

In order to keep our administration costs down, the Commissioners are in charge of our county road department. Each Commissioner has a road foreman and two operators. Boise County has nine employees maintaining 240 miles of road. We have found that it is cheaper to do a project on our own as opposed to trying to obtain or match State or Federal funds. The problems are with paying Davis-Bacon wages, expert engineering costs and administration costs.

If the guidelines, design specifications and paperwork could be designed to accommodate the rural counties, more would be able to use these funds. All counties in Idaho are having bridge and railroad crossing repair problems. Like everything else, these are being repaired when they are to the point of being permanently closed, if it is at all possible. However, sometimes they must be shut down because the cost of repair is too much for the county to afford.

Our roads currently have logging trucks operating on them with a gross weight limit of 80,000 pounds. This is a good legal truck weight. Added pounds would do more harm to the road services. If Federal fuel taxes are increased, truckers of all kinds will want to carry heavier loads and make fewer trips; therefore, they will be using less fuel and traveling less miles, which will cut down on the fuel and mileage taxes.

The study done by the Local Highway Needs and Assessment Council proved that all roads in Idaho are just being maintained with few improvements and little bridge repair. The main reason is lack of funds at both the State and local levels.

One of our major problems right now is growth. People are moving to the country to get away from the city life. Unfortunately, after they move to the country, they want the same conditions as they had in the cities—paved roads, sidewalks, for example. This is where the rural areas need the help. Counties cannot afford to meet these demands without more State and Federal assistance with less strings attached. Our tax base is too small with no way to increase it at this time. Respectfully submitted, Mary Hanson, Horseshoe Bend.

Senator SYMMS. Thank you very much, Mary. I appreciate it.

Dan, I'm sorry. I didn't mean to bypass you, but we'll ask you to testify now.

STATEMENT OF DANIEL CHADWICK, EXECUTIVE DIRECTOR, IDAHO ASSOCIATION OF COUNTIES

Mr. CHADWICK. Thank you, Senator.

My name is Daniel Chadwick. I'm Executive Director of the Idaho Association of Counties. I'm here on behalf of 43 of 44 Idaho counties. We appreciate the opportunity to appear before you today and make our concerns known about State the of Idaho's roads and bridges.

The future of Idaho's economic prosperity is at risk because of the condition of its secondary system of roads and bridges. This system is essential to preserve the agriculture, mining, timber and recreation industries in this State. As the local highway needs assessment study identified, there are more than 14,183 miles of highways and roads in the county system, with only 33 percent of these roads paved. The study identified the cost of restoring and maintaining these roads at more than $3.4 billion out of the $7.3 billion recommended.

The National Association of Counties' statement on the future of the Surface Transportation Program clearly identifies the importance of roads and bridges to the future of economic prosperity in this country, and I've included a copy of that statement as an exhibit to my written testimony.

Poorly maintained roads and bridges add costs to agriculture, timber and mining products. These same roads make it more difficult to encourage new economic activity and place severe limitations on the recreational industry. It also must be understood that the current condition of roads and bridges in this country, and specifically in Idaho, represent a danger to public safety which could result in millions being paid in unnecessary liability claims by State and local governments.

We want to make it perfectly clear from the vantage point of the Idaho Association of Counties and the National Association of Counties, under no circumstances should these dollars contained within the Federal Highway Trust Fund be used as a means of reducing the Federal deficit. These dollars should be returned to State and local government for the maintenance and upgrade of the road system.

Administration of the funds, including project design and the like, should be left to State and local government. It is not possible for the Federal Government to understand or even adopt a Nationwide standard when there are so many variables in terms of the industry, markets and geography. Such artificially imposed standards create waste of finite resources, and, obviously, the Federal Government can't be expected to foot the entire bill for these projects. However, even now States, counties and other local governments match Federal dollars three for one.

We are willing to continue to shoulder our share of the burden in meeting the demands of the Transportation Program. However, we must be made equal partners in the decision-making process. Local governmental officials must be consulted and their views considered in undertaking projects which have such substantial impact on local communities.

Senator Symms, it is the desire of the Idaho Association of Counties to support you in your efforts to spend down the Trust Fund, and I appreciate the opportunity to appear before you today.

Senator SYMMS. Thank you very much, Dan, your entire statement will be part of the record.

Ms. Donna—could you tell me how to pronounce your name? I apologize.

Ms. POWAUKE. Yes, I will. It's Powauke.

Senator SYMMS. Powaukee. Ms. Donna Powaukec. We're glad to have you here. TERO Compliance Officer.

STATEMENT OF DONNA POWAUKEE, TERO DIRECTOR, NEZ PERCE TRIBAL EMPLOYMENT AND TRAINING

Ms. Powaukee. Honorable Senator Symms, I thank you for the invitation to participate in this testimony on behalf of my tribe, the Nez Perce, relative to our Tribal Employment Rights Office (TERO) as it relates to Federal highway aid projects. Actually, my title is Manager of the Employment and Training Programs for the tribe, which does include the TERO. I've held this position since 1979.

My testimony addresses the vital importance of employment and subcontracting opportunities for Indian citizens. The economic impact of employment and business access affects not only the worker and the tribe, but also the entire local community in which we live.

I'm sure you're aware that all four of the other Idaho tribes also run TERO offices, and even though I can't speak for them, I know that our ordinances are very, very similar in nature.

The Nez Perce tribal employment rights ordinance was passed into law by the Nez Perce Tribal Executive Committee in 1979. The TERO regulates employment on the reservation by requiring employers to utilize Indian preference in the hiring, training, promotion and layoff of workers. In 1979, the unemployment rate of Indians living on the Nez Perce reservation was a consistent 70 percent. In 1987, a law requiring Indian preference in contracting and subcontracting was also passed with enforcement responsibilities placed with the TERO staff.

The purpose behind the TERO laws was to address the extreme unemployment rate of Indians living on the Nez Perce reservation and to encourage business development of individual Indians. Indian businesses at that time were almost non-existent. The Nez Perce Tribal Executive Committee directed the TERO staff to proceed with vigorous enforcement of both laws, but also to put forth an intense public relations effort with employers and contractors to give assurances that our office would conduct business in a firm but reasonable, effective and professional manner. The fact that the numbers of contractors bidding reservation projects remain substantially the same, and many contractors continue to bid every job, is an indication that we have successfully and responsibly carried out our enforcement responsibilities, as well as responsibilities to employers and contractors.

Another reason for the effectiveness of the TERO, I believe, was the support and supportive legal positions of the Equal Employ-

ment Opportunity Commission and the Office of Federal Contract Compliance. The two agencies provided training and technical assistance on employment discrimination issues, as well as legal positions which supported the tribe's sovereign right to regulate employment practices, including the imposition of the Indian preference regulations.

In 1987, another Federal agency, the Federal Highway Administration, took a position that State law, regulations or policy may permit Indian employment preference on Indian reservations. I'm kind of proud to say that the TERO, by that time, had already had an eight-year relationship with the State of Idaho Department of Transportation, and it was a very positive relationship that had included many, many projects prior to the passage of the language in the Surface Transportation Act.

The position does lend support to the tribal law and is helpful in that the tribe, the State and the Federal position are in agreement so that contractors are comfortable that none of the participating agencies are in conflict over any aspect of the TERO requirements.

There are currently five Federal-aid highway projects in progress on the Nez Perce reservation. Two have been in progress for some time, and three have just started. For all of the projects, there is a total of 126 jobs. Of these, Indians are employed in 34 positions, non-Indians in 90. Of the two jobs in progress, a total of $241,730 in wages has been earned by workers to date—$97,375 by Indian workers and $144,355 by non-Indian workers. Of the total number of workers on all projects, there are 34 workers with residence out of the State of Idaho. The average wage earned by Indian workers on Federal-aid highway projects is $15.95 an hour. Retention rates for our Indian workers is about 95 percent.

Indian and/or tribal subcontractors are participating in two subcontracts on the projects. Owner/operator agreements with Indian small business occur on almost every project, more and more frequently as the business becomes established and develops a track record.

We wish to emphasize here that successful Indian employment and business benefit not only the worker, his or her family and the Nez Perce tribe, but the entire valley business community. It is estimated that Indian workers spend 98 percent of their incomes in the Lewiston-Clarkston area and contribute substantially to the health of the valley economy when employment is high on the reservation.

It has been pointed out that those dollars will turn over six to seven times in the local area. Conversely, for those out-of-State workers, there is minimal local economic benefit. To the individual Indian worker in addition to the obvious economic benefits, important social benefits are derived from having employment with an adequate wage. Alcohol and drug abuse decreases, family stability increases, self-esteem increases, school attendance and performance stabilize and improve. Again, not only the tribe but the entire community benefit from these social impacts.

Federal-aid highway projects have been one avenue of addressing the very serious issue of high reservation unemployment and lack of business development. The Nez Perce tribe supports the reauthorization of the Federal-Aid Highway Program because of the

benefits in these areas, but also because we support improved highways in Idaho and contribute as individual tribal members a conservative estimate of $600,000 per year through gasoline taxes.

Through overall TERO efforts the last 11 years, Indian unemployment has improved by 50 percent during seasonal work, bringing the rate to a low of 20 percent in the peak summer months. A serious problem still exists in the off-season winter months when unemployment figures may still reach as high as 65 percent.

Progress has also been made with Federal-aid contractors so that we are no longer dealing with stereotyped impressions of Indian workers. They are beginning to understand, as we already know, that Indian workers are like any other worker, looking for a way to care for their families with dignity and looking for an opportunity to show that they are willing to work for a day's pay. The responsibility and quality of our workers is demonstrated through the fact that some local employers now have Nez Perce Indians on their regular crews who travel off reservation and sometimes out of State with their companies.

The fact remains, however, that generally, once the reservation boundary is crossed, the Indian employment decreases dramatically. I've attached a letter from a contractor who worked with the Nez Perce reservation to one of my staff and who graciously gave his permission to use the letter for this testimony.

I thank you for the opportunity to share with you this information regarding our office.

Senator SYMMS. Thank you, and the letter will be part of our record.

Ms. POWAUKE. Thank you.

Senator SYMMS. Let's see. Next is Chuck Winder, the Ada County Highway District Commissioner.

STATEMENT OF CHARLES L. WINDER, COMMISSIONER, ADA COUNTY HIGHWAY DISTRICT

Mr. WINDER. Senator Symms, members of your committee that are obviously in their own States having their hearings at this time, also, as you deal with your summer recess—I thought this was to be vacation time, and I see you here listening to this testimony.

Senator SYMMS. No rest for the wicked.

Mr. WINDER. First of all, as Chairman of the Highway District, Senator Symms, we'd like to thank you for the generous effort of your time and your support of our local needs, and particularly as it relates to the funding of the Broadway-Chinden project, which is a tremendous economic boon to our community and I think is fueling part of the growth and the economic well-being of this community, and I think that more people need to realize the importance of construction and the importance of investing in our own communities, and we just want to thank you for the dollars that you have been able to get for us and, certainly, as Secretary Dole was here to present those funds to us, we just want to thank you for that effort.

I want to introduce—I don't know whether you've had a chance to meet him or not, but Chris Swartzoff. Chris is here somewhere.

He's our new Director and took Mr. McGregor's position here just several months ago.

I want to emphasize to you and hopefully this will go back and have some status with your other committee members, that as a Commissioner for the Highway District, this is a part-time civic job. I am a businessman involved in the real estate development industry in this area. People ask me why ACHD or why roads and transportation.

I think coming from the agricultural community, as you have had, you realize how important transportation is to the economic well-being and viability of any economy, and that's why I'm involved. I think that the importance of our roads and streets to all of us, if they didn't have them, it would be similar to some of the comments you heard here earlier about the crops rotting, people not being able to get to and from work. I heard one remark about why the farmers in Colombia grow cocaine up in the mountains, and they use airplanes to transport it, and they said it was because they didn't have roads to grow wheat, they didn't have roads to grow potatoes and beets. I don't know whether that's true or not, but I think it certainly brings us back to why we need roads and bridges and the importance of them.

We feel that the Federal role should be a role of leadership and direction to ensure a nationally-integrated transportation system. That leadership should be based upon a strong partnership with AASHTO and our Western Association of State Highway Transportation Officials. It's important to our quality of life and to our economy, and we encourage you to be that effective leadership role in effecting our State and local roads.

The existing safety program. You've heard a lot of testimony about railroad crossings and other safety issues. We think this is a major funding issue that the Federal Government needs to help us with. We have a $13 million annual deficit in our funding just in Ada County, and then you apply that State-wide over the next 10 to 15 years, and you start talking about the $7.3 billion State-wide need. Idaho's not going to be able to fund that on their own. We're going to continue to need your help and Congressional help.

Based upon the way that fuel tax is being allocated back now and the Trust Fund being held as a portion of offsetting the deficit, we're concerned about whether a Federal tax on fuel would be an appropriate action at this time.

One of our major problems is we're an urban county in a lot of ways, but we're in a rural setting, and because of irrigation we have a tremendous number of canals and irrigation facilities that are crossed by our streets. We have 400 bridges just in our county. Seventy of those are in need of immediate repair. We have two major structures closed in the county right now. The State legislature for the first time in a long time saw fit to give us some additional funding this year and gave us $3.4 million to help us with the Linder Road bridge and others. This is not a problem that's going to get solved again at the local level.

I heard Mr. Kiebert testify we only got $1.3 million for the entire critical bridge system in the State. That's not enough to even build one bridge across the Boise River. We need more help in that area.

One of the issues that we have to deal with is we removed what we call Veterans Memorial Parkway from the Federal environmental review process and use of Federal dollars, because it was so expensive not only to do the environmental impact statement, but it was so expensive to comply with the Federal guidelines. I've inquired of different sources, the State Transportation Department, of our people, they estimate that it cost 20 to 40 percent more to build with Federal dollars than you can with your local dollars because of the restrictions. We think that needs to have a serious look.

The heavier and larger trucks that we're seeing now, it was mentioned the interstate rutting and that type of thing. It has a tremendous impact locally on our bridges, and if you talk to the trucking industry around here, you'd realize the detours that they have to follow to miss our restricted bridges because of weight limitations.

Ada County, while it's not a large Federally-owned county like some of the others, as Ms. Hanson testified on Boise County, we have tremendous impacts from the Federal employment here. Lots of people work here, lots of Governmental investment that we don't receive a tax base from, and so we need Federal dollars to help pay for that impact.

The roads are our lifeline for our agriculture and timber community, for our mining community, construction is important to our State, we continue to ask and need help as our area continues to grow in these areas. We need you also to think about the special funding needs for the railroad and highway crossings. All you have to do is look at Canyon County, in particular.

One of the major concerns with our current National Transportation Policy is the lack of public awareness. We continue to encourage you to have hearings like this, encourage you to use the media in any way you can to make people aware that what's going on is that they're trying to take dollars out of our pockets on a local level and use them for something else. We think this is a real important issue to us, and we just appreciate your involvement in it.

With that, I'll close my remarks. I have submitted the full testimony in written form. Thanks for this opportunity.

Senator SYMMS. Thank you very much. I might just say that I really appreciate that last point, but you have to recognize from a news media standpoint something like highways and roads and bridges, anything that mundane isn't near as exciting as how much money political action committees give to politicians or how much money they earn speaking or something like that. It's very difficult, and even in the Congress itself it's very difficult to get the Congress to focus on highway needs, because there's always another issue. It's either Iraq or whatever, but there's always something that seems to generate more attention.

But when you really analyze it, there's absolutely nothing that Americans pay for with their Government tax dollars, both local, State and Federal, other than their national security investment themselves that we all enjoy living in a free country or that they get more personal freedom and opportunity out of than the highway tax dollars, because they can get in their automobile and go where they want to on their own schedule, and it really has been a

very successful system, but it's taken for granted largely, but I think that gradually we're gaining on that front, and I hope that we can continue to do that, and I think that all of you can probably do more about that maybe than I can even.

But thank you very much. I appreciate panel three.

Now, if panel four will get ready, but first we have someone from panel two, Skip Smyser, State Senator, who chairs the Transportation Committee of the Idaho State Senate.

Skip, we have a witness coming up next who has an 11:30 appointment, so you don't have a long statement, I trust?

Senator SMYSER. Senator Symms, I assure you we'll make that time line just fine.

Senator SYMMS. Okay, thank you.

STATEMENT OF HON. C.A. SMYSER, CHAIRMAN, SENATE TRANSPORTATION COMMITTEE, IDAHO STATE SENATE

Senator SMYSER. Senator Symms, I thank you for the opportunity to testify here. In the last four years as Chairman of the Senate Transportation Committee, the highway needs of this State have been paramount on my mind and on my own agenda, and your comments about it not being glamorous certainly is something that we on the Transportation Committees in the State legislature are aware of.

But the crises that we've had in this State with our critical bridges has certainly caused the legislature to turn its attentions to the road system, as Commissioner Winder mentioned, with an appropriation of $15.5 million out of the surplus monies to try and tackle these critical concerns we have in Idaho. There certainly is not a lack of will on the part of the Idaho legislature to address these concerns, but it is something that when you're looking at the overall problems and highway priorities that we have in this State, the number one priority continues to be the continued development of Highway 95 to tie the northern and southern parts of this State together.

I think when you start looking at the Free Trade Agreement that has been worked out with the Canadian governments and now the work being done on trying to do that with the government of Mexico, it shows the importance of development of a north-south corridor to tie these three nations together for the mutual benefit of all concerned. Highway 95 certainly is an ideal location for that, not only just to tie Idahoans together, but also to open it up for that free trade between these three countries.

Bonners Ferry North is what I refer to as the gateway to the State of Idaho, and it's probably worse than any county road that we have in Sunny Slope or elsewhere in Canyon County. There's no doubt that we need development in that area as well as to continue to develop the entire length of Highway 95, and that's why I think Idahoans are so concerned about the reauthorization of the Surface Transportation Act after September 30, 1991.

It's also very hard for legislators, and we have an interim committee working on dealing with what might be a $7 billion problem with our roads and bridges in Idaho. It's very difficult for us to do that when we hear comments about raising the Federal gas tax in

order to reduce the national deficit. Those funds have traditionally been used as a user fee, and those monies have gone to continued development of the road system, something that I would urge you to continue to be an advocate of keeping those monies going where they're intended, and that is for the users' monies to be used to develop the road systems of this State.

I also support wholeheartedly your efforts to try and spend down the Trust Fund and get those monies back to the States. It's very hard to go to a taxpayer and say that we need to raise your taxes additionally when there is that amount of money that has already been raised from the people of the State of Idaho and is not being spent in this State. So I would be very supportive of the efforts to get those monies that have been spent out to the States where they're intended and go forward with that.

As I understand right now, Idaho has been authorized $36 million that has been withheld from use because of this, and that money would go a long way to helping us not only with Highway 95, but other projects of importance in this State.

One last thing is to try and work with the States to allow additional flexibility for the States in the design of roads where Federal monies are involved. Commissioner Winder again mentioned the problems and how they abandoned looking for Federal funds because of these additional rules and regulations that do not improve the quality of the pavement laid on the highways. I think that is one of the things when you start looking at an overlay project, for one mile, if we use State funds, it costs us $120,000; the same project using Federal funds costs $160,000 per mile. It is something all of us have a concern about that we get the biggest bang for our buck that we possibly can.

This goes to many of the other projects where you're looking primarily at a 30 percent additional cost to the State in building a road system when Federal dollars are involved. This is something in a time of a limited number of dollars that are available, I think that we need to not have a broad-based standard for every State, because Idaho certainly is different than Rhode Island, and I think it important that we have additional flexibility to have a road that is quality, that will handle the loads that will travel the Idaho roads, and not have a national standard that has additional cost that is not necessarily appropriate in the State of Idaho.

With that, Senator Symms, I certainly want to thank you, and I thank the entire Transportation Department. They have been very appreciative of you and your staff for the money that you have helped secure for the State of Idaho, and it's one that we're hoping that we're able to better spend those dollars and do it more efficiently so that we can get these tremendous road problems that we have in this State under control, and we can go forward and do that in an efficient manner that serves the taxpayers of this State and the Nation. Thank you for this opportunity, Senator.

Senator SYMMS. Thank you very much, Skip. It's very obvious to me that you have learned a lot in your time as Chairman of the Transportation Committee, and, as far as I'm concerned, you certainly will be a welcome addition to work for Idaho's highways in that very urban-oriented House of Representatives in Washington. I wish you every success in the efforts that you're presently en-

gaged in, because I think it is important that we get people from this State that really do have an appreciation for these problems, and it's very obvious from your testimony here this morning that you know what you're talking about. So I appreciate your testimony, and thank you very much.

Senator SMYSER. Thank you, Senator.

Senator SYMMS. Now panel four, and we'll start out with Charlie Clark from Union Pacific; and Ms. Jill Thomas-Jorgenson; Mr. Robert Henry; and Parke Garrard. And if we could also call Gus Haag, President of the Motorcycle Riders Foundation.

Charlie, I understand you have an appointment, so if you'll start out, and I'll be right back, but go right ahead.

STATEMENT OF CHARLES G. CLARK, SPECIAL REPRESENTATIVE TO THE PRESIDENT, UNION PACIFIC RAILROAD

Mr. CLARK. Thank you, Chairman Symms.

I am Charles Clark, Special Representative to the President for Union Pacific Railroad. We thank you for bringing the subcommittee to Idaho so that Idahoans could have input and the opportunity to discuss highway policy.

Mr. Chairman, you may wonder why someone from the railroad is here testifying on highway policy. The answer is pretty simple. Highway policy is railroad policy. You can't separate the two. We compete head to head with trucks for a very large chunk of our freight business. We spend hundreds of millions of dollars every year building and maintaining our tracks and right-of-way—costs we have to pass on to our customers.

Trucks, on the other hand, operate on highways and roads that are 40 percent paid by general tax dollars, including railroad tax dollars. When you look at the 60 percent of roadway costs paid for by user fees, you see that the heavy trucks, the 80,000 pound semis that compete with railroads, pay approximately 55 to 60 percent of their fair share of those fees. This represents a huge subsidy to the trucking industry but pales in comparison to the subsidies received by the barge industry.

Mix in the penalties levied on railroads in the form of FELA, railroad retirement and other Federal regulations, you can imagine what the competitive playing field looks like to a railroader. Pretty tilted.

I'm not here to ask you to double highway taxes on trucks or try to level the playing field. What I'm asking you to do is oppose every effort by the trucking industry that would make the current situation even worse. I'm asking you to reject authorization for bigger, heavier trucks on our public highways.

Are we paranoid? I don't think so. Truckers have already asked their State highway departments in Oklahoma, Kansas and Nebraska for authority to exceed the 80,000 pound Federal interstate weight limit. They are pressing for similar authority in Wyoming. And even here in Idaho, as you've heard in testimony presented today, they're talking about authority to put heavier trucks on more of our State and local roads.

The American Trucking Association has made no secret of its efforts to allow double 48's and triple trailers nationwide, which, if

allowed, would substantially increase the truck's weight to 129,000 pounds and above, which would further hasten the deterioration of our public roads. Putting bigger, heavier trucks on our highways would tilt the competitive playing field even further against railroads, with devastating results. Thousands of railroad jobs lost, tens of thousands of miles of track abandoned, and very possibly the bankruptcy of some railroads.

We have seen what the diversion of rail traffic to subsidize trucks and barges have done here in Idaho—lost rail jobs and controversial railroad abandonments. We urge Congress not to make the situation worse.

I want to emphasize that railroads are not sitting still when it comes to productivity. Union Pacific invested $50 million in a state-of-the-art dispatching center in Omaha, called the Harriman Center; we're investing heavily in ATCs, which are advance train control systems; onboard computers in our locomotives; track-side monitors and detectors; cement ties; continuous welded rail; over 400 new locomotives in the last few years for a total of $508 million; and our National Customer Service Center in St. Louis.

Investments like these and many others have allowed us to greatly improve our productivity by something like 70 percent more ton miles per employee in just the last four years. There's kind of a joke I like to tell, and the Idaho Senate Transportation Committee's Chairman Senator Smyser has heard me say this, before for years and years we've been known as the iron horse; with all these technological advancements we'd like to think we're going to be the silicon stallion of the future.

These productivity gains have not been cheap. We at Union Pacific and as an industry have had to invest huge amounts of money in computers, equipment, track, and labor agreements to achieve them. We hope we can continue to make these kind of investments in rail service.

Keep in mind that the productivity gains the truckers are asking for will not be paid by their own private investment and our public highway structure. Instead, these gains would be paid for in large part by the general taxpayer, including Union Pacific, and the motoring public. These sought after gains would come in part at the expense of the rail industry that has invested over $100 billion in private capital in our infrastructure in just the last few years.

Mr. Chairman, Union Pacific has further comments to better explain our position on these and other matters in more detail in our written testimony. We have also provided some thoughts on alternatives to abandonments and improving the Federal Grade Crossing Program in that testimony, which I would like to now submit for the committee's record.

Thank you. If you have any questions, I'll do my best to answer them.

Senator SYMMS. Thank you very much, Charlie, and I don't know when it is you have to leave, but can you stay for the rest of the panel, or do you have an 11:30 appointment?

Mr. CLARK. I have an 11:30 appointment.

Senator SYMMS. Okay. I won't have any questions. I would only say, first, I want to compliment you before I say anything else about the job that you and Union Pacific Railroad did in contribu-

tion to Idaho's centennial celebration. I think you made a major contribution to the success of our 100th anniversary in this State, and I personally would like to be on record to thank you. I have so corresponded to your upper echelon people, but I personally want to thank you for your personal efforts, because it was a great success, and I think 844 will be long remembered by many of us, and we do appreciate it.

Second, I want to say you're very brave to leave, because on the same panel is your colleague, Parke Garrard, and I'm sure he has somewhat of a different perspective. But I understand. I have another meeting with you this afternoon, and I won't ask you those questions now, but there are some questions I do look forward to discussing with you later this afternoon.

Mr. CLARK. Thank you, Senator, and it was our pleasure to participate in the centennial.

Senator SYMMS. Do you feel safe leaving the room now with Parke sitting right here at this table?

Mr. CLARK. We get along fairly well.

Senator SYMMS. Okay. Thank you very much. I appreciate it, Charlie.

Mr. Haag, are you in a hurry?

Mr. HAAG. Yes, I am, Senator.

Senator SYMMS. Okay, we will now hear from Gus Haag from Minneapolis, Minnesota.

You have a statement for the record. Do you represent the Montana association, also?

Mr. HAAG. All 50 States.

STATEMENT OF TERRANCE A. (GUS) HAAG, PRESIDENT, MOTORCYCLE RIDERS FOUNDATION

Mr. HAAG. We thank you for the opportunity to enter testimony to this committee.

My name is Terrance Haag. I reside in Minneapolis, Minnesota, and I am the President of the Motorcycle Riders Foundation. The Motorcycle Riders Foundation is a national grassroots organization associated with 50 State organizations throughout this country, representing over 100,000 motorcyclists, many from Idaho who are present here today.

The primary goal of the Motorcycle Riders Foundation is the preservation of motorcycling in America and the continued improvement in safety and education programs for both drivers of motorcycles and automobiles. While rural road issues are important to motorcyclists, we believe that the overall concern of highway users needs to be addressed in regard to the deterioration of the infrastructure of America's highways, the congestion in both urban and rural areas, and the need to reduce America's dependence on foreign oil supplies.

The modern motorcycle is one of the obvious answers to these problems. Motorcycles are less damaging to the infrastructure, take up less space on the roadways, and are much more fuel efficient. America's love affair with the automobile and the continued stereotyping of motorcyclists as the bad guys have prevented any

progress being made in this area. The U.S. Congress and related transportation agencies have done little to alleviate this situation.

The latest U.S. DOT policy, called "Moving America Ahead," makes only one reference to motorcycles, and that has to do with the mandating of helmets for all motorcyclists. There is nothing being done to encourage the usage of motorcycles as a viable alternate mode of transportation. This is mostly the result of a mindset that believes that all motorcycles are inherently dangerous and should have no place in the American transportation system.

The U.S. Department of Transportation figures released in 1989 show motorcyclists to be the only segment of the American motoring public that has continually lowered their accident and fatality rate through the 1980's. This has been done primarily through the self-funded Rider Education Programs initiated in 37 States since 1980. Motorcycle safety courses do work in reducing the number of accidents and the severity of injuries by teaching riders the proper techniques to use in avoiding accidents. The self-funded Rider Education Program is a classic example of American ingenuity at work.

When mandatory helmet laws were rescinded, the various State legislators charged the motorcyclists with the responsibility of making motorcycling safer. Consequently, self-funded Rider Education Programs were born and have continued to grow. Many proponents of mandates will question whether it is fair to attribute such favorable results to a single variable—in other words, rider education. However, the total concept of safety is permeated with one single quick-fix solution—in other words, mandating helmet usage.

More Federal funds should be made available for the States to use in operating and expanding their Rider Education Programs. Remove the prohibition from using title 402 funds for only initiating such programs, and allow the money to be used where the greatest benefit lies. Likewise, prohibit the use of the title 402 funds from being used for lobbying purposes as occurred in Utah in 1989 so as to allow scarcest resources to be used solely for the program expenditures for which they were intended.

Of the $114.655 million allocated by National Highway Traffic Safety for title 402 funding, only $700,000 were dedicated to motorcycling issues. This equates to six-tenths of one percent, even though motorcycle issues were defined as a priority issue in 1988. We believe priority issues should be allocated a minimum of 10 percent of available title 402 funding. National Highway Traffic Safety needs to furnish the States with guidelines on applying for title 402 funding and to encourage participation in this program.

Both State and Federal Government must accept motorcycles as a vehicle of choice in eliminating congestion on the highways, reducing wear on the infrastructure, and reducing the Nation's dependence on foreign oil supplies. This commitment can be accomplished by exempting motorcycles from tolls, allowing the use of all HOV lanes in every State, allowing handicapped license plates for motorcycles with more than two wheels, and by adding incentives for fuel conservation.

Insofar as the stated short and long term goal of Federal planning is to shift the responsibility of the transportation infrastructure network to the States, it seems inconsistent to impose more

Federal mandates upon these same States. If the States are to assume more responsibility for the cost and maintenance of the interstate system, shouldn't the States then be free to control the rules and regulations governing the use of such roads? Can we justify the Federal Government coercing States into adopting laws which deal with such jurisdictional matters?

Thank you very much for the opportunity to express the views of the American Motorcycle Riders Foundation, and we also thank you for your initiative and your proposal S. 2150.

Senator SYMMS. Thank you very much. S. 2150, the Trails Act?

Mr. HAAG. Yes.

Senator SYMMS. I wanted to ask you about what percentage of your membership of the motorcycle riders ride what are referred to as mountain bikes, or are they in your association?

Mr. HAAG. Probably less than 2 percent.

Senator SYMMS. Do you have any estimates of the numbers of how much money they pay in highway fuel taxes that they don't ask for a refund on?

Mr. HAAG. It varies drastically State by State. In the more rural States, the quantity goes up like gas consumption for all rural areas. There are much more off-road riders in Idaho than there are, for instance, in New York. But I do not have the actual figures.

Senator SYMMS. Well, I appreciate your comments, and we will note for the record your endorsement of that bill. We will be holding a hearing on the National Trails Act on Wednesday in Idaho Falls, and I thank you very much.

Mr. HAAG. We'll have Mr. Del Smiley there.

Senator SYMMS. So you'll have a representative there. We appreciate that. One other point that you make, and that is on HOV lanes, do you have any examples of where certain DOTs or States have allowed motorcyclists in the HOV lanes?

Mr. HAAG. Yes, Minnesota is an example of one that does, Virginia is an example of one that doesn't.

Senator SYMMS. Well, I have tried to help you in Northern Virginia, but unsuccessfully thus far, but I was curious, in Minnesota, how has the safety record on those HOV lanes worked out?

Mr. HAAG. There has not been one single accident involved in the HOV lanes. Minnesota motorcycle fatality rates are at an all time low. Last year alone, the fatality rate was reduced in Minnesota by 38 percent over the previous year, and since 1960 motorcycling in Minnesota has become safer every year, so that was how we won the approval to use the HOV lanes.

Senator SYMMS. Basically, the thrust of your testimony with respect to safety is that if the motorcyclists themselves are careful and operate safely and there is also an education program for automobile drivers to just beware and cautious that there may be motorcyclists on the road, the operation is the major safety, more important than any other factor.

Mr. HAAG. I don't think there's any question about the fact that the self-funded Rider Education Program has been very, very instrumental in our ability to lower fatality rates, and also we have extended programs in various States to the various State organizations of going into the high schools and talking to the driver educa-

tion class on Motorist Awareness Programs. We have pamphlets out called "Sharing the Road." We try to convince these kids not to ride motorcycles, especially while they're driving cars.

Senator SYMMS. I appreciate your comments, and I have to say as one who drives an automobile to work and watches the HOV lane be very empty that it's hard for me to justify in my mind how anybody could rationally keep a motorcyclist off of that legitimately, because, during the peak rush hour traffic in the HOV lanes that I'm familiar with on U.S. 95 North out of Virginia into the District of Columbia, normally it would be smooth sailing for a motorcycle, and it really would be no inconvenience to the buses or automobiles that are on it, either.

Mr. HAAG. We've expressed exactly the same viewpoint to this date with little response, but the problem seems to lie in the wording of the legislation, which said vehicles with three passengers or more, that Virginia keeps hanging their hat on.

Senator SYMMS. I would think that the automobile salesmen that sell two-passenger automobiles might complain about that, too, but thank you very much, Gus.

Mr. HAAG. Thank you very much, and thank you for letting me go ahead.

Senator SYMMS. Now, let's see. Where are we here? Jill Thomas-Jorgenson from the Port of Lewiston.

Jill, welcome to the committee.

STATEMENT OF JILL THOMAS-JORGENSON, DIRECTOR OF ECONOMIC DEVELOPMENT, PORT OF LEWISTON

Ms. THOMAS-JORGENSON. Thank you, Senator Symms.

It is a pleasure to be here today. I'm Jill Thomas-Jorgenson, Director of Economic Development for the Port of Lewiston. It is hard to believe that it's been a year since we were sharing ideas as related to the Federal-Aid Highway Program in Twin Falls.

It is exciting to be a part of Idaho's only sea port. It is something that all Idaho residents can take pride in. People from all over the United States, Canada, the Pacific Rim and so forth are very interested in hearing about our waterway system that is 424 miles inland.

We at the Port of Lewiston put primary emphasis on marketing the assets of our community to develop business and to create jobs for Lewiston and Idaho in these primary areas: business and industrial development, international trade, and transportation. Because we market ourselves as an intermodal port capable of providing rail, air, highway, as well as transportation service by barge, we are very concerned in the continued improvement of Idaho's highway system.

The number one export out of the Port of Lewiston is grain, followed by forest products, primarily finished products. We want those jobs for Idaho. Since 1975, with the completion of Lower Granite Dam and the availability of slack water, we have shipped products to 26 foreign countries. We are primarily, as you know, an outbound port; however, we see increased potential to become an inbound port as well in the future.

Continued highway improvements will allow increased traffic from southern Idaho, Montana to Dakotas, and even Minnesota, which will enable us to take full advantage of bringing commodities to Lewiston for distribution to other locales, as well as sending commodities outbound.

As you know and were talking earlier this morning, Senator Symms, Canada is the United States' biggest trading partner. Improved highway conditions would allow us to receive products for them at the port and truck them north to our neighboring country. At this point in time, the weakest link in our intermodal transportation system at the port, frankly, is our highway system. I'm sure that the folks who live in regions one, two and three of our State will agree that the north-south highway, Highway 95, should take priority over our other roads.

We understand that the other three regions in our State have different goals. We also realize that improving our total highway system in the State is a very long term project. For this reason, the Port of Lewiston has become the facilitator for the Highway 95 State-wide task force. We are currently identifying our long range goals.

As you know, the State Board of Transportation has committed approximately 40 percent of their primary money for Highway 95 for the next five years. We are very anxious about what will happen to the Federal-Aid Highway Program in the post-interstate era. We feel that the Port of Lewiston is here to serve our entire State. Good highways and streets are major factors in the economic development of Idaho.

As one of the lesser populated States, Idaho is unable to fund the necessary road construction and maintenance requirements without Federal assistance. Arriving at apportionment formulas to fill each State's needs is almost impossible. We are concerned that if these calculations, however, are on a population basis, Idaho, at just over one million people, may not receive enough assistance to finish our State highway system.

I appreciate the opportunity to speak here today. Thank you.

Senator SYMMS. Thank you very much. I appreciate your testimony.

Bob Henry, Administrator of the Idaho Transportation Council.

Bob, welcome to the committee.

Thank you again for your testimony, Jill.

STATEMENT OF ROBERT L. HENRY, ADMINISTRATOR, IDAHO TRANSPORTATION COUNCIL

Mr. HENRY. Thank you, Senator.

I think this will be basically an echo. It's an echo of our previous comments on behalf of Idaho agriculture, and it's an echo of those others who appeared here today who wanted to thank you for your accomplishments on the committee and on behalf of Idaho and the national transportation.

Senator SYMMS. Thank you.

Mr. HENRY. We have taken and continue to take the view that the Federal role in a post-interstate Federal-aid program is essential. We take this for the position enunciated by others because of

the bridged State considerations of the national interstate system, the necessity to provide a link between States, because of the need to traverse vast areas of land under Federal ownership, because of the need to accommodate the movement of our consumer and agricultural products to and from market, and because of the necessity of providing us with an efficient transportation system so that America's export products can remain competitive in the world.

These all mandate, we believe, a Federal role in the Federal-Aid Program post-interstate. We believe that role is basically administrative and that the States' role and the roles of lesser subdivisions flow from there. They should actually do the physical construction and maintenance and provide the programs.

We think the efficient functioning of the county and rural highway districts is of particular importance to agriculture and to rural America. The rural road is the critical link in the movement of farm products to and from market, and it's the rural road which is wearing out and worn out, and it is particularly in this area of our highway and road needs that we see inadequate funding.

We think it's necessary that the Federal-Aid Program be realistic, that design standards be capable of modification to fit local circumstances, and that safety programs address the most pressing issues at any one given window in time, because there is an economic reality out here—we don't have enough money to improve this system.

Since the rural road user is more dependent on the road, both commercially and socially, than a peer family in suburban or urban America, the impact of user charges will be most dramatic for the rural road user, and since this dependence on the highway system is non-discretionary for the rural American, he can't escape the impacts of an increased fuel use fee, he can't alter a social program of living to avoid highway use, and he must continue his reliance on the highways for his commercial activity.

We believe that the maximum gross vehicle weight and axle weights on the road should be that which protects the road surface and the bridge surfaces, and we think that it's very important that those efficiencies be maximized for highway users. It is only from this efficiency that the products of our agriculture will remain competitive in the world, and we would remark that since Staggers Act, under which railroads were granted freedom from economic regulation, the only regulator of the levels of railroad charges is the market force or the amount of competition which exists to railroad service. In south Idaho, this is highways.

When we speak of the amount and efficiency of highway transportation, we're talking about the size of the load those vehicles can carry and the numbers of trucks that are present, so we believe that the Federal-Aid Program is essential and vital. Thank you, Senator.

Senator SYMMS. Thank you very much, Bob.

Now we'll hear from Parke Garrard, Managing Director of the Idaho Motor Transport Association.

Parke.

STATEMENT OF PARKE GARRARD, MANAGING DIRECTOR, IDAHO MOTOR TRANSPORT ASSOCIATION

Mr. GARRARD. Thank you, Senator, and thank you for the opportunity to present testimony concerning the rural issues in preparation for the reauthorization of the Federal-Aid Highway Program and the related surface transportation issues.

I am pleased to share with you the views of both the Idaho Motor Transport Association today, as well as the American Trucking Association. Many of the statistics and technical figures within my testimony will be eliminated because you do have a copy of that.

Adequate and serviceable highways are as important to the motor carrier industry as trucking is essential to the economic well-being of rural States—that is, such as Idaho—and trucking has a critical role in ensuring the continuation of the State's economic viability. And nationally, too, trucks have become the carrier of choice of America's shippers. Over 77 percent of the value of everything America grows and produces now moves on trucks. Trucks pay over $50 million a day in highway use taxes, which represents more than 45 percent of the total State and Federal taxes paid.

Now, let me address some of the specific questions posed by the subcommittee. The role of Federal, State and local governments in the Federal-aid Highway Program in the post-interstate era. We believe that the preservation, expansion and reconstruction of the national system of interstate and defense highways and major primary highways of national concern should be the cornerstone of the new Federal Highway Program. Other arterial routes necessary to develop a national network should be included in the system.

Primarily, the primary or arterial routes, which are incorporated into the highways of national significance, should be upgraded to standards adequate for the traffic volumes and vehicles populations using such routes on a priority basis. These routes, which carry more than 70 percent of the Nation's inter-city freight will require increased funding to meet these higher standards. Some may need to be upgraded to near interstate system standards, but many may simply need to be rehabilitated to modern geometric standards and to provide for adequate traffic movement.

Full Federal-aid funding, as now authorized, should be provided through fiscal year 1991. After completion of the interstate system, the highways of national significance must become the principal Federal-aid system. This system should be funded at a level to meet essential future needs and at a higher Federal-aid matching ratio than any other Federal-aid highways. Fund distribution to the new system should be by an equitable formula.

Federal aid should continue for major bridges and for secondary and urban roads off the national system to improve urban, suburban and rural mobility. Many interstate freight movements begin or end on lesser rural and urban primary and secondary rutes, and Federal-aid programs should support major construction projects on these routes.

Accordingly, a significant Federal-aid program for routes not included on the new national system will remain a high priority for the trucking industry. Increased Federal highway spending should

be sought for these categories through 1995, either by reducing specific categories or by block grant programs with some restrictions on use.

Now let's look at design specifications on rural highways. A recent study by Kenneth A. Small, Clifford Winston, and Carol A. Evans, entitled "Road Work," published by the Brookings Institution, observes that the trucking industry and the Nation are paying a steep price for suboptimally designed pavements and that trucks would damage roads far less if roads were correctly built in the first place.

In reaching this conclusion, the study assumes life cycle highway costs would be minimized through optimal highway design. In their words, "by adding pavement thickness or other measures to improve durability until the incremental cost of additional durability equaled the incremental savings and maintenance and highway user costs." With these durability improvements, the study suggests that the costs that are attributable to heavy combination vehicles would be one-third less than their current road user charges.

We strongly recommend that the Nation begin building and rebuilding its major highways with stronger and thicker pavement structures and better draining base courses. This strategy will increase the probability that pavements will last their intended lives, dramatically reduce life cycle pavement and highway user costs, and make the transportation sector a more productive part of the economy.

Now, in the rural areas as far as the safety issues, the small community programs, rail/highway crossings and consolidation of safety categories is a broad field. Accident rates, of course, are highest for commercial motor vehicles on rural highways at night. This fact is supported in FHWA's statistics compiled from required accident reporting on the Department of Transportation accident reports.

Based upon University of Michigan Transportation Research Institute analysis of this data, the kind of road a truck travels is much more important that the kind of truck in determining accident risks. Non-limited access roads are far more dangerous than are limited access roads. Therefore, we would support greater emphasis being placed on upgrading and maintaining rural highways to improve safety.

Since 1974, almost $5 billion has been obligated from the Highway Trust Fund for rail/highway crossing improvements under the section 130 Rail/Highway Crossing Program, other Federal-aid programs, and the section 163 Railroad Relocation Demonstration Program. Almost 40 percent of these funds have come from Federal highway user fees paid by the trucking industry into the Highway Trust Fund.

Because these programs provide substantial benefits to the railroad industry, the law requires the railroads to contribute private funds to individual projects. Under section 130(b) of title 23, the railroads are required to contribute up to 10 percent of total project costs, which the Secretary determines will represent the net benefit to the railroads of each project type.

Unfortunately, the regulations under which the railroads have operated since 1975 have served to limit their required contribu-

tions to a miniscule level, perhaps 1 percent of the Federal-aid project cost. These "sweetheart" regulations should be reevaluated to assure that the railroads pay their fair share of rail/highway crossing projects.

Now, the impact of a Federal fuel tax increase on rural areas. According to figures released on June 7th this year by the National Association of State Budget Officers and Federal Funds Information for States, a 10-cent increase for five years would cost $18 million in Idaho State revenue losses and $8 million in Trust Fund losses, for a total of $26 million. A 25-cent Federal gasoline tax increase for five years would result in a loss in State revenues of $45 million and Trust Fund losses of $20 million, for a total loss of $65 million to the State. The impacts in rural States such as Idaho are magnified because of the absence of urban population density, absence of transit, and the length of trips.

One of the items you had stated in your letter about this hearing was the apportionment formulas and the impact of change in matching ratios on rural areas. As previously stated, we believe that the formula should be based on equitable distribution of funds that recognize that there is a profound need for a national system.

Regarding off-system bridges and timber bridges, as noted before, many truck trips in rural areas begin and/or end on a rural road as such off-system bridges are critical to truck in rural areas. The sudden loss of a bridge in a primary or secondary road would have a serious impact on farm economy. We feel that the Timber Bridge Program, promoted by the USDA Office of Transportation, provides an effective, low-cost method of replacing many rural bridges.

Looking at private donations of money or in-kind contributions in lieu of a local cash match for Federal-aid highway projects, innovative funding techniques offer opportunities to increase investment in needed infrastructure. The use of private donations of money is an example of a means of leveraging limited Federal, State and local resources.

Now, the advantages and disadvantages of increased truck sizes and weights for rural roads and rural communities. Highway freight transport is the largest freight transportation element in the Gross National Product by a large margin, but its importance far transcends direct dollar input to Gross National Product because it is so interwoven in the complex modern economy. For that reason, improved productivity could greatly benefit our domestic economy and will be vital to our competitive position in the international markets of the next decade.

Arbitrary caps on truck productivity like the Federal 80,000 pounds gross vehicle weight limits are artificial handicaps. They are exacting a price from every consumer, producer, and exporter in the Nation, which collectively amounts to billions of dollars annually. This fact was discussed in detail in the recent Transportation Research Board special report, "Truck Weight Limits: Issues and Options," which was requested by Congress. One of TRB's major recommendations is a permanent program that would allow States to authorize the use of vehicles with gross weights over the 80,000 pound limit, provided such programs control the characteris-

tics and operations of these vehicles and require permit fees that cover any increases in highway agency costs.

A recently released study by the Trucking Research Institute assesses the productivity benefits to the national economy that can be expected if longer combination vehicles were allowed to operate on a national network. The findings are particularly significant for those interested in agriculture economy, and an exhibit in the study reveals that three commodity groups—farm products, lumber and building materials, and food products—account for the largest share of the non-less-than-truck-load savings. The annual savings in the cost of truck transport for these three commodity groups represents about two-thirds of the reduction in non-LTL truck costs. The TRI study is entitled "Productivity and Consumer Benefits of Longer Combination Vehicles," and that was released on May 14th of this year.

Rural highway needs on Federal lands. Any Federal allocation formula should take into consideration the vast amount of Federal land in Idaho and the west.

On behalf of the over 300 member firms of the Idaho Motor Transport Association, and the American Trucking Associations, we thank you for this opportunity to speak out on issues that must be answered before the reauthorization of a new Federal-Aid Highway Program can be implemented.

Senator SYMMS. Thank you very much, Parke. I do want to ask you a question. Are any of your members engaged in the so-called piggyback business?

Mr. GARRARD. We have members that have a container type of business, and, yes, there are members that are in the piggyback business. Most of those are not located within the State however.

Senator SYMMS. Are they loading any piggybacks in Idaho, to your knowledge?

Mr. GARRARD. To my knowledge, there may be some in the Nampa area, but that would be about it, and not to a great extent. We do have a problem with the container issue in that many of those containers come into the Nation, and also this Nation is guilty of exporting those containers, in an overweight condition.

Senator SYMMS. The reason I asked the question—and this is the question I should have asked Charlie Clark while he was here, and I apologize to him in his absence that I didn't. I've had some correspondence from produce shippers in southwestern Idaho indicating that they have to haul the piggybacks to Portland to put them on the train to go east to New York or Philadelphia to those markets. Are you familiar with that?

Mr. GARRARD. No, I'm not.

Senator SYMMS. See, that is a serious question, I think, with respect to the railroads' contention that the truckers shouldn't be allowed to increase productivity, because our shippers that are along the railroad line and want to ship container loads, if they can't get them on the train without driving to Portland, at that point you'd lose the efficiency, I think, would you not?

Mr. GARRARD. Well, you might state it this way. The trucking industry on a national basis furnishes the railroads 30 percent of their business.

Senator SYMMS. Through the piggyback?

Mr. GARRARD. Through piggyback and otherwise. There's nothing that reaches a railroad unless it gets there first by truck.

Senator SYMMS. Okay. Well, thank you very much, and I'll dig into that more. I should have asked that question when Charlie was here.

I thank all of you on the panel very much.

I might ask you, Jill, are there any piggybacks going out of Lewiston?

Ms. THOMAS-JORGENSON. Once in a while, but for the most part just the potential level.

Senator SYMMS. Just the potential. Mostly what's going out of Lewiston is grain or chips. Is that correct?

Ms. THOMAS-JORGENSON. Yes.

Senator SYMMS. Okay.

Thank you very much. I appreciate your testimony, all of you.

Bob Corbell, the Executive Director of the Associated General Contractors.

Bob, you'll have to carry panel five now, and I might thank you for the resolution that your AGC Chapters from the northwest passed on Friday supporting Senate bill 3001 to remove the Highway Trust Funds from the Federal unified budget. I appreciate that. And it looks like you're also Vice Chairman of the Idaho Highway Users, and we'll reference your statement for the record for that, so I appreciate that.

Mr. CORBELL. Thank you, sir.

Senator SYMMS. They haven't called you back to active duty yet, I take it?

Mr. CORBELL. I've been watching the mail. I kind of miss that a little bit, too.

Senator SYMMS. You better not say it too loud, or you're going to be taking pictures in the Persian Gulf.

Mr. CORBELL. Well, after 30 years, you kind of get used to those things.

STATEMENT OF ROBERT R. CORBELL II, EXECUTIVE DIRECTOR, ASSOCIATED GENERAL CONTRACTORS OF AMERICA

Mr. CORBELL. I am the Executive Director for the Idaho Branch of Associated General Contractors and, as you mentioned, did host the Northwest Chapters meeting which the resolution that you referred to came from this past weekend. I also serve as the Vice Chairman for the Highway Users Conference, and I am also a farmer in Canyon County and have some interest in rural highways from that.

Coming into the chamber this morning, I also brought a copy of the Highway Users Federation Report, which is the nine-point program that I think has been handed to you. I support that program along with the Associated General Contractors.

Those are the reasons for which I'm interested in the Highway Program. Our Association supports your Senate bill 3001 removing the Highway Trust Fund from the Federal unified budget, as well as the increased authorization from the Trust Fund for highways and airport construction programs. Several points must be made.

The Highway Trust Act that expires September 30, 1991, must be reauthorized. Even though the interstate system is nearly complete, one need only take a vacation trip to realize there are still needs for heavy maintenance, safety requirements, and lane additions, and these items require priority funding.

Adjustments in specifications for highways other than interstate would better serve local requirements and provide more funds for State and local government highways and roads. It would allow knowledgeable State officials to determine specifications for their local areas based on traffic, climate, safety and right-of-way availability.

A current study by local government officials indicate Idaho needs $7.2 billion to provide an up-to-date road system. Current government methods of using road monies to buy equipment and pay employees actually inflates the $7.2 billion by possibly one-half. Relaxing specifications on rural roads and highways will help offset this increase.

Development of America's oil resources will also reduce the cost of roads. Road repairs bid to the next construction season could increase in cost based on asphalt prices. As long as the U.S. is buying overseas oil, it in effect is exporting jobs and profits. If oil costs escalate, less road work can be done.

Rural highway needs are becoming greater each day. Rural areas are no longer restricted to just farming. Rural roads are supporting tourism, manufacturing, Federal land access and mining. Rural communities have been affected by abandonment of light density rail service and reduction in bus service. This has increased the need for both trucking and the use of personal vehicles. More truck traffic has had an effect on the life of both roads and bridges.

Safety has also become a factor. Rural roads and bridges are narrow, usually shoulderless, and have less weight-bearing capacity than their present use. Railroad crossings by rural roads are becoming more of a hazard. Idaho currently is experiencing an unusual increase of car/train wrecks at unlighted crossings. Currently, many bridges are weight restricted or closed to truck traffic. In my particular situation, our farming equipment has to detour three miles in both directions to some of the farm land that we farm at the present time.

Truck traffic is ever-expanding in rural America. Trucks are the only mode of transportation that supplements rail, water and pipelines, as well as air freight. Rural roads must be prepared to continue to accommodate this traffic. Most rural areas are not served by airports that have major scheduled airlines. Consideration must be given to development of feeder airport systems. Funding for these airports should come through the Aviation Trust Fund.

Control and accountability of the Federal Trust Funds are the first steps to increase availability of funds. Release of too much funding initially could cause waste to the fund. Planning needs to be done prior to funding. Better accountability as to the use of the funds is required. Often less than one-half of highway funds are spent on road surfaces.

Each of the above points affect the rural communities. Inadequate transportation surfaces and conditions limit the development potential throughout the country. These limitations include

the transport of raw material and developed products; retention of existing businesses; new industry and commerce; commuting to and from work; farming operations; school, hospital, fire and police access; tourism; and recreation.

In order to prevent rural isolation, immediate work on these roads is required. Use of the fuel tax and trust funds for anything other than originally designed will have an economic impact on our transportation system. Road construction develops jobs and, in turn, taxes.

Much of our current infrastructure is decaying, and to delay maintenance or reconstruction will only increase the cost. The Nation's infrastructure should become a greater priority for our governments. Decisions made now will reshape the future of rural America and our general economy.

That concludes my testimony, Senator Symms.

Senator SYMMS. Thank you very much for your statement. I might just say that I think your comments are well taken about our problems with foreign oil and the price of it and how that impacts the road program.

I might also mention that it hasn't become law yet, but pending before the Congress is the so-called clean air legislation. If that becomes law, and it looks like it might, there will be another additional $50 billion minimum assessed against a lot of the refinery business, not all of it against the refineries, but they certainly are going to have a new tax put on the refining of petroleum products for use of our transportation, which will make it even more difficult for Congress and for the State legislators, and I think that's a point that needs to be made from one end of this country to the other.

When we start imposing all of these regulations that cost 15 cents or 20 cents or 10 cents a gallon for diesel and gasoline, it makes it harder then to pay for the roads, and people often overlook that. I don't know how that will come out, but I think it should be a consideration on the part of the Congress and the President before he signs that bill, just how that will impact the infrastructure.

Mr. CORBELL. I think you are aware that our Association from the national level down has supported your stand on the Clean Air Act.

Senator SYMMS. It's an unmitigated disaster for the country the way it's going.

Mr. CORBELL. It has a tremendous amount of heavy tax built into it.

Senator SYMMS. Right. Well, thank you very much, Bob, for excellent testimony, and continued success to you.

Mr. CORBELL. Thank you.

Senator SYMMS. The next witness will be Shirley Cromer, who is a member of the Board of the Idaho Women in Timber; Mr. Don Galligan, Planning Manager, North Bannock Metropolitan Planning Organization; and I understand that Kathy Adler, Vice President, Idaho Women for Agriculture, is not here, but if she is here, she's invited to come to the stand, also. And if her statement arrives within the time period that the record is open, it will be submitted to the record.

Shirley, welcome to Boise from Lewiston. We're glad to have you here with us.

STATEMENT OF SHIRLEY CROMER, MEMBER OF THE BOARD, IDAHO WOMEN IN TIMBER

Ms. CROMER. Thank you, Senator Symms.

I'm Shirley Cromer. Thank you for the opportunity to testify today on behalf of Idaho Women in Timber. Idaho Women in Timber is a grassroots organization which is made up of women and men whose livelihood is dependent upon the timber industry. Community stability, which is a main concern of our organization, relies on the use of Federal and State highways.

Many of us live in small rural communities, and our daily lives are affected by the condition of our highways. We use these highways to commute back and forth to work, to get our children to and from school, and for recreational travel. The mills that we depend on heavily rely on these highways to haul logs and chips and to deliver the finished product to market. They also rely on the highway system to get spare parts to keep the mills running or to modernize the mills.

Safety conditions on these highways are some of the worst in the country. What needs to be four-lane highways are still two lanes. I personally know of one incident where a young man, a classmate of my daughter's, was killed and his brother was seriously injured because of the narrow two-lane highway. They were on their way home from school and stopped to turn off the highway into the driveway to let oncoming traffic pass when they were hit from behind. There is just no way the accident could have been prevented, no place for the vehicles that were involved in the accident to go. It could have just as easily been a school bus filled with children.

I live in Genesee, which is a small farming community about halfway between Moscow and Lewiston. One time I was on my way home from Lewiston, and there was a chip truck behind me, and I was approaching a corner. When I rounded the corner there was slow-moving farm equipment crossing the highway. If I hadn't been familiar with that area, I would have been involved in an accident. There have been numerous fatal accidents on that stretch of the highway.

Slow-moving farm equipment, loaded logging trucks, school buses, freight trucks do not have a lane to safely travel in. Any reduction in Federal highway funds would keep these unsafe conditions with us for years to come.

Truckers in Idaho feel they've paid more than their share of user fees for highway use, and they wonder where this money goes and to what it is put. I've seen trucks with signs on the back that state "This vehicle pays more than $5,000 per year in use tax." I don't know the number of trucks in Idaho, but I'm sure if you multiply the number of trucks by this amount and threw in all the gasoline taxes already paid by the citizens, you can see that any reduction of the Federal funding would put an additional burden on the people of Idaho.

There is only about a million people in Idaho, so we depend on the Federal highway funds. Any decrease weighs very heavy on the people of Idaho. In comparison, California has about 20 million people to split up any decrease in Federal funding, so population of the State should be considered before any decrease in Federal funding takes place.

To close, I would strongly recommend that anyone who wants to cut Federal funding for the highways in Idaho take a weekend and drive from south Idaho to the Canadian border. They may change their mind. Therefore, Idaho Women in Timber thanks you, Senator, for your efforts and your proposal to use dedicated taxes the way they are supposed to be used through the Transportation Investment and Trust Act. Thank you.

Senator SYMMS. Thank you very much, Shirley. I appreciate your testimony, especially the personal experiences you've had on the roads and those with respect to safety that have already been discussed here today. I do appreciate it.

Don Galligan from the North Bannock Metropolitan Planning Organization, Pocatello.

Don, please go ahead.

STATEMENT OF DONALD C. GALLIGAN, PLANNING MANAGER, NORTH BANNOCK METROPOLITAN PLANNING ORGANIZATION

Mr. GALLIGAN. Thank you, Senator Symms, for inviting me here today.

My testimony is concerning funds for planning, and I like to think of planning as a way to get the most bang for your buck out of investment dollars.

In the post-interstate area, the role of Federal, State and local government agencies and the Federal-Aid Highway Program will and should change. One aspect that has long been taken for granted in the Federal-Aid Highway Program is planning. Support for planning on the Federal level has been minimal; yet Secretary of Transportation Sam Skinner's report "Moving America" states that it's Federal transportation policy to strengthen the role of metropolitan planning organizations in programming and prioritizing transportation projects. Strengthening this role for MPOs in rural, minimum apportionment States can only be accomplished through increased financial support.

There are two ways to go about increasing this financial support to minimum apportionment States. First would be to raise the minimum apportionment currently at .5 percent of PL funds available. This option is not the best one available to us, because currently the residents of the State of Idaho pay less than they receive back in the minimum apportionment. Trying to raise this percentage would meet with strong resistance from lender States that pay in more than they receive.

The second way to increase funding for minimum apportionment States would be to increase the amount of funds available for planning in the Federal program. Currently, financing for planning in the Federal-Aid Highway Program is based on a set-aside of up to 0.5 percent of the amounts authorized for five other highway aid

programs: interstate system construction, Interstate 4–R, primary system, rural secondary system, and the urban system.

The wording in the formula narrative states, "Financing for this program is based on a set-aside of up to .5 percent of the amounts authorized." One of the primary concerns for all States is that there are no fixed percentages for PL funds. This makes it very difficult to do budgeting, because one cannot calculate how much money will be coming into the State for their apportionment.

Consistency and funding percentage would be very desirable from the State and PL perspective as this would allow us to be much more aware of what to expect in the upcoming years and allow us not to rely on the charitable nature of source programs. To eliminate this problem, I would like to see the percentage of funds for planning increase and the wording in the formula narrative changed to "Financing for this program is based on a set-aside of 0.75 percent of the amounts authorized for those other programs."

As we enter the post-interstate era, funds will no longer be needed for interstate system construction. Much of this money will go into 4–R and rightly so. What remains should be dispersed among the remaining programs. Since these programs are the life blood for PL funds and should be getting their budgets increased, this is a prime opportunity to raise the total amount of PL funds available without the source programs feeling the pinch.

Increasing these funds for urban areas is good, but what about rural areas? After all, Idaho is a very rural State. Increasing the total funds available to minimum apportionment States will help the rural areas as well, because in minimum apportionment States PL funds can also be used in non-urban areas. The grant formula narrative reads, "States subject to the 0.5 percent minimum apportionment may, with FHWA approval, use the funds for transportation planning outside of urbanized areas." Thus, if there are more total funds available, this will translate into more funds available for rural areas as well.

I recently attended a conference put on by the National Association of Regional Councils in Washington, D.C., and we discussed interrelation between transportation planning and land use. In "Moving America" Secretary Skinner states it is Federal policy to increase emphasis on integrated State, local and regional transportation planning, including efforts to coordinate land use and transportation planning in investment decisions.

I attended a workshop in this very subject, and MPO and State highway officials from around the Nation came to a consensus on these recommendations for the reauthorization. First, the reauthorization should include Federal encouragement incentives for improved State, local and regional integration of land use development with transportation plans and programs. Second, the Federal Government should support the development of improved methods and tools for the coordination of land use and transportation planning.

Third, congestion management plans which will be required of all urban areas should be, one, regional in scope; two, include land use actions in the management of congestion; three, should define a level of service to be met and maintained; four, require State and

local coordination; and five, define priorities for plan implementation.

A fourth topic that we came to a consensus on was that all regional transportation plans should be based on and consistent with an adopted land use plan or strategy. Furthermore, the MPO should be given the task of ensuring this consistency. Finally, Congress should investigate the possibility of tying financial incentives through Federal project funding to reward highly coordinated land use and transportation planning.

Finally, I just wanted to mention about the Highway Trust Fund, Sam Skinner states in "Moving America" that it is Federal transportation policy to continue to use transportation trust funds for transportation purposes. In this statement, the word "continue" is misused, because these funds have not been used for transportation purposes. The trust fund cash balance has been increased and used to offset the Federal deficit.

Effectively, the Federal budgeting process has taken the word "trust" out of trust fund by not allowing the money to be spent in the manner in which it was intended. This money is needed for vital infrastructure, maintenance and other transportation-related expenditures and investments. This money should be taken out of the general ledger so it cannot be used in this manner, and funding for highway infrastructure and maintenance needs should be increased.

Senator SYMMS. Thank you very much, Don and Shirley. I appreciate both of your testimony. I also would just like to insert in the record at the appropriate place and ask unanimous consent to do so the Executive Summary of the Local Jurisdiction and Highway Needs Assessment Study that has been referred to by many of the witnesses today and was done by Wilbur Smith and Associates in association with Bell Walker Engineers. [See p. 217.]

Senator SYMMS. I'd also like to call now to the witness table Mr. Ron Hall, the State Director of the Idaho Small Business Development Center, College of Business, Boise State University.

Ron, thank you for your patience, and we're delighted to have you here.

STATEMENT OF RONALD R. HALL, STATE DIRECTOR, IDAHO SMALL BUSINESS DEVELOPMENT CENTER, COLLEGE OF BUSINESS, BOISE STATE UNIVERSITY

Mr. HALL. Good morning, Senator. I'm delighted to be here. I hope you'll excuse me if I have a little cold this morning. We had a class reunion for all of our graduates at Cascade High this last weekend, and we stood out in the rain and had a good time. After the hearing, I have a few notes to pass on to you about your able assistant, Mr. Bowlden, and what I heard from his old classmates, how he was there.

Senator SYMMS. He didn't seem to catch a cold, so I don't know what that says.

Mr. HALL. No, I think he spent too much time inside around some of his former classmates. Most were girls, I might add.

Senator, I know that the hour is late, and you are undoubtedly very tired from sitting through a significant amount of testimony on the hearing matter. I will try to keep my notes very brief. I've submitted full comments to you and the committee and staff.

For the record, however, my name is Ronald R. Hall. I'm State Director of the Idaho Small Business Development Center with the Control Center Office at Boise State University. I am an Idaho native, growing up in the Cascade-Donnelly area on a cattle ranch. I have spent a considerable amount of my professional career in public service working in rural development. In addition, I have over eight years of experience as a CEO, owner and operator of a business enterprise in a rural area. These experiences have given me some insight into the critical need of transportation in rural economic development.

Using SBA guidelines, incidently, over 96 percent of our 25,000 small businesses in Idaho are small business. Over 70 percent of those are located in rural, non-urban areas that by any standard would be considered rural. Each year, through our Idaho Small Business Development Center, we provide one-on-one business consulting services to over 700 small businesses across the State. We provide an additional 150 or more seminars on small business topics, and each of those transportation and transportation-related matters frequently are brought up.

Our State's small businesses are challenged by the difficult environment in which they must do business. The often harsh realities which confront our every day way of life in rural America are compounded upon small business efforts. Tax bases in many of our rural communities have been stressed to the limit in the efforts to provide needed roads and bridges to accommodate our commerce, social and recreational needs.

Small businesses, as you know, throughout Idaho are very dependent upon efficiently and effectively planned, constructed and maintained transportation systems and corridors. I'm sure I need not remind you of the significant amount of public discussion during the recent months regarding our deteriorating highways, roadways and bridges, particularly in the Ada County area. I'm confident, however, that many small business owners could tell yet unheard stories of the significant and negative impact, and in some cases life threatening impact, to the venture's continued existence when road and bridge closures have had to occur, when roads and highways become so deteriorated that tourists and other commerce travel become prohibited.

If we are to have a vibrant, successful business base in Idaho and in other rural States, we must have a dependable, effective system of roads and bridges. A weak, ineffective transportation system is poison oak to small business growth and development, and it's a near fatal blow to rural diversified economics.

While costs are a significant concern to all of us, it is clear that our local, regional, State and national economy will falter if we do not have a viable ground transportation network. Our taxpayers, including our 25,000 small business taxpaying firms, must continue to support the important work of your subcommittee and its professional staff. Our economy, our businesses, our jobs and our way of life is very dependent upon your ability to develop needed citizenry

and Congressional consensus which will ensure an appropriate Federal role in the construction and maintenance of our roadways and bridges.

While I believe your track record in this regard is very clear and positive, we have for too long ignored needed new investments and reinvestments in our transportation corridors. We must now consider what amount and from what source financial commitments will come to keep our rural natural resource based economy growing. I urge you to move forward with needed financial budgets and reasonable Federal guidelines that will help keep Idaho's positive momentum moving.

I think, Senator, those are the basic comments I'd like to make.

Senator SYMMS. Ron, I thank you for an excellent statement. I quite agree with you with respect to those transportation corridors, and I guess the only argument that any small businessman would have against better transportation would be that some of those regulators from EPA and other agencies drive on those same roads and harangue them an awful lot.

Mr. HALL. Absolutely.

Senator SYMMS. But it is so essential, and I do agree with you that we have underfunded it in the past, and we're going to have to start on a long term plan program to make up those losses and continue to keep it up so that our State can continue to grow, and also I believe that from an environmental standpoint good transportation corridors will make the quality of life better for people and less cluttered and cleaner in the long run.

Mr. HALL. Absolutely.

Senator SYMMS. Thank you for an excellent statement.

Mr. HALL. Thank you.

Senator SYMMS. I might just say now that's the last witness that's on the official list. We've had some inquiries from some people who have requested to testify, and we do have just a very few moments, so I'm just going to call out their names and they can come up and form a panel, and if they can make their statements very brief, and if not, our record will be kept open for the rest of this month for those that would like to submit written testimony.

Harvey Balisle from Boise?

[No response.]

Senator SYMMS. Kelly Buckland?

[No response.]

Senator SYMMS. They're not here.

Bill Schaefer from Burley Chamber of Commerce. Is Bill here?

[No response.]

Senator SYMMS. Let's see. Mr. R.J. Talent from Weiser?

He's in the audience and may want to testify, or maybe he doesn't want to testify.

Mr. TALENT. Excuse me. I'm not prepared to testify.

Senator SYMMS. Amy McKnight? Did Amy McKnight wish to testify?

[No response.]

Senator SYMMS. If not, Harold West, I see you in the audience. Do you have any comments you want to make?

Mr. WEST. No, thank you, Senator.

Senator SYMMS. Okay. At this point, the committee stands adjourned. We will, as I said, take testimony for the remainder of the month, and I thank all those interested citizens that were here and all those who testified this morning to make this what I think a very successful meeting of the Subcommittee on Transportation.

[Whereupon, at 12:35 p.m., the subcommittee was adjourned, to reconvene at the call of the Chair.]

[Statements submitted for the record follow:]

STATEMENT OF CONGRESSMAN LARRY E. CRAIG

BEFORE THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE;
SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE

RURAL TRANSPORTATION AND THE SURFACE TRANSPORTATION ACT

BOISE, IDAHO
August 20, 1990

CONGRESSMAN CRAIG'S 10-POINT PLAN FOR RURAL TRANSPORTATION

1. Take the Highway and Aviation Trust Funds off budget and spend them for the purposes they were intended;

2. Do not raise the gasoline tax to help offset the federal deficit;

3. Maintain an equitable balance between rural and urban interests;

4. Improve access to the national system from state and local highway systems; including those that run north and south

5. Promote a continued partnership between federal, state and local governments;

6. Provide flexibility to the states in the allocation of federal resources;

7. Increase the role of private enterprise and stimulate investment in transportation systems;

8. Increase emphasis on bridge repair and replacement in rural areas;

9. Provide safe, reliable rail transportation;

10. Improve emergency response efforts for hazardous material accidents

Senator Symms, subcommittee members, thank you for allowing me to appear before you today to discuss rural transportation and the Surface Tranportation Act.

Let me first take this opportunity to thank you Senator Symms for your continued leadership in this area and for bringing this field hearing to Boise, Idaho. As the ranking Republican and former Chairman of this subcommittee, your involvement has been instrumental in protecting the transportation interests of rural States like Idaho.

As a member of the House Committee on Public Works and Transportation, I have had the duty of participating in hours of hearings on our nation's transportation system. One thing I have concluded from those hearings is that we have a huge undertaking before us -- resurfacing the decaying roads, replacing the crumbling bridges, and otherwise maintaining the infrastructure of America is a task that will cost billions of dollars. There is no doubt that these improvements need to be made -- our economic well-being depends on it. The question is how the bills will be paid and by whom.

Earlier this year, President Bush and Transportation Secretary Skinner released the Administration's National Transportation Policy, "Moving America: New Direction, New Opportunities." While the policy serves as a good starting point for the future, I am cautious about plans to shift a greater financial burden to the states. Unfortunately, rural states such as Idaho with many miles of highway and a relatively small population cannot afford major new cost sharing programs. However, with the incredible backlog of highway projects, state and local governments will have to do their share as well.

There are no simple answers -- it is not as easy as deciding whether the federal government or the states should bear the greatest burden. As a result, I have come up with a 10-point plan of my own, incorporating the best of the Administration's ideas and adding others developed during my service on the House Public Works and Transportation Committee. The 10-points are:

1) **Take the Highway and Aviation Trust Funds off budget and spend them for the purposes they were intended;**

For too long, the user fees paid by Americans to fix highways and airports have been included in the general, unified budget. As a result, the Highway and Aviation Trust Funds have done little more than help hide the true size of the deficit. What desparately needs to be done is to take these trust funds off budget. When that separation occurs we can begin spending down the trust funds for the purposes they were intended.

Efforts are underway to take the trust funds off budget. Last month I joined colleagues on the House Transportation Committee in introducing and reporting to the House, legislation that would

free up the trust funds by October of next year. I am hopeful that we will be able to pass this legislation before we adjourn for the year.

2) Do not raise the gasoline tax to help offset the federal deficit;

With budget talks currently underway, there is once again talk of increasing gasoline taxes to help get rid of the deficit. I believe this would be a grave mistake. Not only does this approach ignore the real root of our deficit problems, runaway spending, it would cripple our transportation system. Gasoline taxes are paid into the Highway Trust Fund to be used for highway construction and maintenance, not to make up for past spending by the federal government. Attempting to reduce the deficit through an increased gasoline tax would betray the trust that the American people have put in the Highway Trust Fund and would be nothing less than highway robbery.

I have joined the vast majority of Congress that opposes such a tax increase and will continue to do so.

3) Maintain an equitable balance between rural and urban interests;

With the completion of the national Interstate highway system scheduled for 1991, there will be uncommitted funds available. There have been an abundance of ideas for use of this money. Many say that it should go to population centers, in order to relieve congested traffic. These areas, by and large, exist on or near the coastlines of America in large urban areas. This mentality will leave Idaho and other rural, interior states wanting for their fair share of funds. Rural states don't have a lot of people, but they do have a lot of miles of highway which must be maintained.

I will continue to fight for rural needs in transportation, making sure that they are not overshadowed by big city demands. Efforts are underway to provide equitable funding for rural states in the reauthorization of the Surface Transportation Act next year and I plan on remaining a key player in that movement.

4) Improve access to the national system from state and local highway systems; including those that run north and south

As a member of the Idaho State Legislature in the mid-70's, I was acutely aware of the only route in Idaho that links the north to the south -- U.S. 95. Historically, in Idaho and other states, highways have been built to connect rural and urban areas. For years, our so-called "farm to market" roads have served as essential economic links to the world. This is no less true today.

Only a few miles from where we are gathered, 95 is Idaho's link to the outside world. It connects Idaho to the Port of Lewiston, allowing Idaho and other western states to ship goods to the vast markets of the Pacific Rim and other nations. However, the potential of this port if far from being realized. This is partly because transportation to that port is not as good as it could be. While U.S. 95 has been improved significantly, there is definitely still room for additional improvements to what we Idahoans call the old "goat-trail".

Similar routes exist throughout the nation. Because of the east-to-west focus of the Interstate program, many north-to-south highways have been neglected. Now, I am not advocating the establishment of a new Interstate program; I am, however, strongly advocating the identification and enhancement of existing north-south connectors. Highways like U.S. 93 in eastern Idaho and U.S. 95, connecting Canada and Mexico, will become increasingly important in the years to come. People don't just move from east to west anymore; the dynamics of our economy points to a present and future trend that has goods and people moving increasingly along north-south highways.

We need to make sure a fair share of funds available after 1991 go to these purposes and I will work to make sure these considerations are included in the Surface Transportation Act.

5) **Promote a continued partnership between federal, state and local governments;**

The maintenance of America's rural transportation system depends on the participation and contributions of every level of government. One of the essential principles of government that applies to transportation is that decisions should be made at the level closest to the problem -- the state and local levels of government. Heavy federal participation would serve as a disencentive for other parties who can provide the most effective and constructive role in transportation.

Although the roles of the different levels of government may change somewhat with the completion of the Interstate program in 1991, it will still be vital that government entities cooperate.

6) **Provide flexibility to the states in the allocation of federal resources;**

The federal government currently provides a number of narrow categorical grant programs. These could be replaced with broader, multi-purpose programs. Performance criteria could also replace some overly rigid project requirements. This would help provide states with the flexibility they need to deal with tough transportation problems. Allowing discretion for the states in transferring federal monies to projects that need aid the most should also be given serious consideration.

I am convinced that allowing flexibility to the states in allocating federal resources will provide the most cost-effective solutions for our transportation problems and I will work to make sure that is reflected in future Congressional actions.

7) **Increase the role of private enterprise and stimulate investment in transportation systems;**

Congress and the states must encourage private enterprise to become more involved in transportation. Infusions of private capital will help patch up spots in our transportation system that would otherwise go unaddressed. Federal legal and regulatory barriers currently in place need to be removed so that private participation in financing transportation facilities can grow. Likewise, state and local governments should consider removing their barriers. In addition, joint public-private ventures should be promoted whenever possible.

Rebuilding America's transportation network will be an expensive job. Tapping into private sources for help in planning, funding, and building projects will go a long way in easing the burden put on government at all levels.

8) **Increase emphasis on bridge repair and replacement in rural areas;**

Around the nation, there is a growing concern for our bridges. They are getting old, falling into disrepair and threatening public safety and vital economic links. The primary responsibility for attending to these bridges rests with state and local governments. However, there are federal funds allocated as well. Because of a serious urban/rural inequity in bridge replacement funding, Idaho is especially handicapped in this area. Small states receive a minimum percentage of available funds while big states receive a much healthier share. I have been looking at ways to resolve this inequity by arriving at a new formula -- one that will raise the minimum amount allocated to states while bringing the maximum number of dollars that any state can receive to a lower level. Without increasing federal spending, there can and must be a better balance between urban and rural areas in funding the repair of our nation's bridges.

Timber bridges have recently offered an alternative for bridge buiding and replacement that is viable, inexpensive, and advantageous to local economies that depend on the forest products industry. The U.S. Forest Service has worked on demonstration projects in Idaho which simultaneously use local natural resources and labor. I will continue to encourage rural areas to look into this option, as it has already proven its worth in states around the nation.

9) Provide safe, reliable rail transportation;

Railroad transportation is important to our entire nation and Idaho is no exception. Throughout my tenure in Congress, I have worked to make sure that rail lines stay open for agricultural, timber, mining and other products to reach their destinations. As long as this demand exists among Idahoans, I will fight to guarantee these lines stay open.

Safety is also a major concern when railroad transportation is discussed in Idaho. Some of the highest rates of rail accidents involving automobiles have been in Idaho. Efforts must continue to identify these trouble spots and make them safe for our citizens to approach and cross.

10) Improve emergency response efforts for hazardous material accidents

Also of great importance to Idaho and other rural states is the transportation of hazardous materials. With the great number of trucks and railroad cars that pass through our state carrying chemicals and other hazardous substances, it is critical that our emergency response efforts be second to none. Unfortunately, this is not always the case, with many response efforts around the nation being measured not in minutes or hours, but days.

This problem came to light in Idaho when a chemical spill polluted a portion of the Salmon River in December of 1987. In an effort to improve emergency response training and education for hazardous materials related accidents, I convinced officials of the Transportation Safety Institute to bring their newly-completed one-day workshop, "Awareness for Initial Response to Hazardous Materials Incidents" to Boise and Coeur d'Alene in 1988. These workshops were conducted with the U.S. Department of Transportation and the Idaho Transportation Department, and were so well attended that people were turned away at the door.

Last month, the House Subcommittee on Surface Transportation, of which I am a member, approved legislation reauthorizing the Hazardous Materials Transportation Act (HMTA). During consideration of that legislation, I stressed the need to insure that States and localities have access to hazardous materials information, especially in rural areas. As a result, a section has been included in the bill to provide for emergency education and training. This is exactly the type of cooperation which is needed between federal and state governments.

These are a few of the ideas that I have for providing a reliable transportation system for rural America through the 1990's and into the next century. I look forward to working with you to shape our nation's transportation policy and hope you will give serious consideration to the 10-point plan I have just outlined.

Once again, thank you for allowing to appear before you today.

STATEMENT OF GALEN RESER

ASSISTANT SECRETARY FOR GOVERNMENTAL AFFAIRS
U.S. DEPARTMENT OF TRANSPORTATION

HEARING BEFORE
SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION,
AND INFRASTRUCTURE
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE

CONCERNING REAUTHORIZATION OF THE FEDERAL-AID HIGHWAY PROGRAM
AND RELATED RURAL TRANSPORTATION ISSUES

FIELD HEARING IN BOISE, IDAHO

August 20, 1990

Mr. Chairman and Members of the Subcommittee:

Good morning, Mr. Chairman and members of the Subcommittee. I am Galen Reser, Assistant Secretary for Governmental Affairs for the Department of Transportation. I am very pleased to be here today to discuss the future of the Federal-aid highway program and other related issues. I would like to start by addressing the National Transportation Policy, the first since 1978.

Secretary Skinner initiated the National Transportation Policy development process almost as soon as he became Secretary, realizing that it was time to take a new look at transportation policies. The Department went out to the American people in more than 100 public meetings; the first one was held about 200 miles north in Moscow of here last July. In essence, what we heard was a call for an improved transportation system -- a system which makes better use of what we have, with a sound financial base; a system that supports our national goals in the areas of safety,

national security, environmental protection, and accessibility for all.

The National Transportation Policy provides a strategic framework for that national investment of time, of money, and of commitment. It shapes the movement of passengers and goods in the 1990's and beyond. The Policy uses a common sense approach of focusing our limited resources on systems of national significance and promoting national priorities, such as improving mobility and the efficient movement of goods, providing jobs, and improving the quality of life for all Americans. The Policy is intermodal in nature -- driven by the freedom of the marketplace and focused on moving America toward a transportation system that will move the U.S. into the next century.

The policy has six major themes: one, maintaining and expanding the existing transportation system; two, providing a sound financial base for transportation programs; three, maintaining a strong and competitive transportation industry; four, ensuring public safety and national security; five, enhancing the environment and the quality of life for our citizens; and six, advancing transportation technology into the 21st century.

Among the 169 guidelines and 65 legislative, regulatory and program objectives in the National Transportation Policy are long-term goals that will help to preserve transportation facilities currently in place; expand essential capacity; close the gaps in the transportation network; promote effective connections between rural and urban areas, between ports and inland points, and between modes; maintain the integrity of the trust funds, and

ensure that all transportation user fees are spent for their intended purpose -- to improve transportation; and promote sounder management of our transportation systems.

The Policy already has provided the basis for reauthorization legislation for our aviation program which was submitted to Congress this session, and is the basis for preparing our reauthorization proposal for the highway, transit and highway safety programs and other near-term legislative initiatives. I would like to turn now specifically to the Federal-aid highway program.

Under the current program, most federal aid funds are apportioned to states in accordance with formulas that give weight to population, area, mileage, and relative costs (needs). The states are responsible for determining how the money will be used within the legislated and administrative guidelines issued by the U.S. government. States have the option of further distributing these funds in the forms of grants-in-aid to local governments for use on eligible roadways under their jurisdiction. However, most roads in rural areas are on state systems, and federal-aid projects on them are administered by the states.

Where the Federal Government is funding, operating, and regulating areas that are not necessary or appropriate, that involvement should be reassigned or eliminated. We know that State and local governments have already assumed greater responsibility in transportation. This can and should continue.

However, it is not anticipated that the basic roles of the federal, state, and local governments will change substantially in the post-interstate era. The most important change anticipated at

the federal level is a reduction in the number of categorical programs and an emphasis on a program of national interest. Additional flexibility will be provided to state and local governments in making use of federal funds, particularly for those roadways that are clearly not of national interest. The states will continue to be the primary recipients of federal-aid money, with some funds being passed through to local governments for their use at the states' discretion.

At the same time, we must also ensure that there is a sound financial base to support our transportation system. The Federal government, in partnership with State and local governments, and the private sector, must see that the financial means are available to invest in America's future. We seek to encourage a greater role on the part of the States, localities, and the private sector in the preservation and development of transportation infrastructure whose primary importance is statewide or regional.

To help meet the needs we face, the National Transportation Policy urges greater flexibility for state and local governments to raise revenues -- for example, allowing greater use of toll financing for Federal-aid highways. We also want to stimulate private investment and to encourage joint public-private financing of facilities where appropriate. Accommodating increasing traffic demands and maintaining a reasonable performance level of the transportation system will require continuing and substantial infusions of private capital. In this context, we are considering expanding the ability to use private donations, including cash and right-of-way, for the State's share of a project; and allowing

private toll roads to be eligible for Federal-aid funds, provided that such facilities could be incorporated into the Federal-State grant-in-aid process.

In your letter of invitation you expressed interest in several highway transportation issues affecting rural areas. As we all know, farm-to-market transportation is critical to the national economy. An efficient and well maintained rural road system is important for the movement of goods and services to the farm, and products such as grain, produce, milk, and timber to the marketplace. If major parts of the transportation link with rural America are too slow or too expensive, American agricultural products and non-agricultural products manufactured in rural areas would be impacted.

Transportation needs in urban and rural areas are different, indicative of the unique problems and opportunities available in each. In rural areas, for example, there are major concerns for access to keep the more isolated rural communities in social and economic contact with the rest of the country.

Rural areas have benefited from federal highway spending. Of the eight States with the highest ratio of Federal-aid Highway apportionments to payments made to the Highway Account of the Highway Trust Fund, six of these States are land-mass States or States with large rural population. (Note: Alaska, Montana, Nevada, Utah, West Virginia, and Wyoming are States which have received in Federal-aid Highway apportionments more than twice what they have paid in Federal highway taxes.)

I would like to address briefly some of the issues raised by your invitation letter:

APPORTIONMENT FORMULAS AND MATCHING RATIOS

Under current law, rural States benefit from the use of certain apportionment factors and lose from the use of other factors. The use of land area and rural populations in the current Federal-aid primary and secondary formulas are of great benefit to the rural States. The use of urban population is not beneficial to rural States. The reauthorization process will determine the adequacy and appropriateness of the current factors as well other possible factors. Enacting apportionment factors that are fair and equitable to both rural and urban areas is a key goal of the reauthorization process.

Currently, the weighted-average Federal/State matching ratio for major Federal-aid Highway programs is about 83 percent and 17 percent respectively. Because of the sliding scale provision i.e., adjusting the percent of the Federal share to reflect the percent of Federal lands in a State, Idaho's effective share is 91 percent Federal and 9 percent State. While a change in the Federal share and a change in the size of the program may require the States to provide new funds, no final decisions on ratios or program size have been made.

RURAL BRIDGES

There is also concern with the replacement of aging bridges, mostly off-system low volume bridges, and maintaining pavement conditions on rural roads. Rural bridges are generally older. According to the FHWA's National Bridge Inventory, as of December 31, 1988, the average age of rural bridges was 36.6 years.

During the highway reauthorization process we will be considering revisions to the eligibility criteria for bridge

replacement or rehabilitation. The criteria will be used to measure a bridge's capability to accommodate expected traffic loads. We will be considering methods for assigning differing target values based on the particular highway system or functional classification of the route being considered. Such a system could assist us in developing apportionment formulas that measure the relative needs of an individual State as compared to the needs of all States.

RURAL HIGHWAY NEEDS ON FEDERAL LANDS

There is also concern for the special highway needs on Federal lands. There are several categories of rural roads serving Federal lands. These consists of forest highways, park roads and parkways and Indian reservation roads. Funding for these roads is derived from the Highway Trust Fund under the Federal Lands Highway Program.

The Forest Highways comprise approximately 25,000 miles of public highways which are owned and maintained by a public authority (State and local government). Forest Highways are the primary access routes serving the system of National Forests. These highways connect the National Forest land based forest development road system to primary points of forest commerce or to other primary routes of travel. Two key forest resources served by these roads are recreation (66 percent) and timber (31 percent). About 40 percent of all traffic using these roads is forest related. Approximately 44 percent of the forest highways are off the Federal-aid system. The total backlog of improvements is estimated at $10 billion of which $4 billion is

forest related based on forest generated/related traffic. The current annual authorization is $55 million.

Approximately 8,000 miles of park roads and parkways provide access to and within the National Park System. These roads are under the jurisdiction of the National Park Service. The primary purpose of these roads is recreation. The current annual authorization is $60 million.

There are about 20,000 miles of Indian reservation roads that are under the jurisdiction of the Bureau of Indian Affairs (BIA). In addition, there are approximately 27,000 miles of State and local roads that also serve Indian country. Over 70 percent of the BIA system roads are unimproved earth, improved earth and gravel. Indian reservation roads serve over 500 recognized tribes. In many instances, Indian reservations are in isolated locations with little arable land and few known natural resources. Some of the isolation is perpetuated by lack of transportation facilities. Isolation is also a result of geologic features such as islands, lakes, rivers and terrain. Many of the Indian reservations are among the most economically depressed areas of the country. These roads provided needed access for economic development, work, medical services, and schools. The current annual authorization is $80 million.

Forest highways and Indian Reservation Roads provide access to rural agricultural areas. Forest highways provide access for grazing and other Forest Service range management activities. Indian Reservation Roads provides access to agricultural/economic development activities in Indian country.

Many rural roads provide access to scenic and other historic points of interests. Recreational and tourism travel is the third largest service industry in the United States. Many States have initiated scenic byways programs through their tourism offices and highway agencies. Recreational and tourism travel continues to be an important part of economic development in rural areas. Good transportation facilities would encourage these activities along with other non-highway support facilities such as fuel, lodging, food, recreation and other related travel services.

RURAL ROAD SAFETY

In your letter of invitation you also expressed concern regarding the issue of safety on rural roads. In the United States, there are an estimated 3.1 million miles of rural two-lane highways, which represent 97 percent of rural mileage and 80 percent of all highway miles. Most of these roads carry relatively low traffic volumes, with approximately 80 percent of them having an average daily traffic of less than 400. Much of the rural two-lane highway system is in rolling terrain or mountainous areas, with only 31.5 percent in flat areas. Common geometric problems of rural two-lane roads include narrow lanes and shoulders, unstabilized shoulders, unsafe roadsides (steep sideslopes and/or cluttered with trees, utility poles, and other rigid objects close to the roadway).

To assist the States in improving safety in rural highways the Department's Federal Highway Administration has published and makes available several publications. For example, the informational guide on "Safety Cost-Effectiveness of Incremental Changes in Cross-Section Design" (Publication No. FHWA/RD-87/094)

presents information for estimating the costs and safety benefits which would be expected from the adoption of various improvements on specific sections of rural, two-lane roads. Improvements described in this and other FHWA publications include lane widening, shoulder widening and resurfacing, sideslope flattening, and roadside improvements. The guide is useful to those involved with the design of 3R-type projects, particularly improvement projects which will be constructed on existing alignment and right-of-way.

Under current law, all public roads are eligible for Federal highway safety funding available under the Hazard Elimination Program and the Rail-Highway Crossing Program.

TRUCK SIZE AND WEIGHT

The issue of increased allowable weights for trucks is also of interest to rural areas. Truck weight regulation is motivated by concern for protecting the pavements and bridges over which heavy vehicles travel, and the safety of the motoring public which must share the roads with the commercial vehicles. Increasing the size and weight of trucks can reduce the unit transportation costs of the freight being carried, but these productivity benefits are offset by pavement and bridge costs and possible safety degradation. As the volumes of truck freight have grown, trucks have also increased in size to take advantage of improvements in the highway system and vehicle technology. The physical characteristics of some parts of the Nation's highway system, such as rural non-primary roads, have not evolved as fast, and it is these roads that would have the greatest difficulty in accommodating larger trucks.

The most recent increase in commercial vehicle weights and dimensions was brought about by the Surface Transportation Assistance Act of 1982 which called for a National Network over which 102-inch wide vehicles, including twin-28-foot trailer combinations and tractors with 48-foot trailers, could operate. The National Network for these vehicles includes highways on the Interstate System and approximately 145,000 miles of non-Interstate highways. Before being included on the National Network, highways must satisfy minimum engineering standards such as lane widths greater than 10 feet, adequate sight distance for passing and stopping, and interchange and intersection design adequacy.

Many non-primary rural roads are simply not built to standards that could accommodate large numbers of bigger, heavier trucks. Of particular concern is the impact of these bigger vehicles on bridges. About 120,000 of the 550,000 bridges on non-Interstate highways are posted, indicating that they do not have adequate load-bearing capacity to accommodate all vehicles that are legal today in their respective States. In its 1990 report to Congress entitled Truck Weight Limits: Issues and Options, the Transportation Research Board evaluated a scenario which would eliminate the 80,000 pound gross vehicle weight (GVW) cap and would determine maximum vehicle weights through application of the existing bridge formula. This scenario would result in replacing, strengthening, or posting an additional 22,000 bridges at a cost of $240 million per year.

All States, however, have permit systems that allow trucks to exceed Federal and State size and weight limits under special

circumstances. These permits are typically issued for freight that could not be as efficiently or economically transported by other means. In many instances, States authorize the operation of larger, heavier trucks in rural areas under special permits, and issue these permits to further the economic interests of their local economies.

COMPLEXITY OF STATE ADMINISTRATIVE REQUIREMENTS

A related issue is the regulatory structure within which carriers must operate. The transportation system depends on the services of providers that are efficient, competitive, and capable of adjusting to changing national transportation needs. We must keep the transportation industry strong and competitive by removing barriers that impede productivity, or restrictions that favor one mode over another. The administrative burden affecting trucks and buses in such areas as vehicle registration and tax reporting requirements must be reduced.

TRANSPROTATION SAFETY

Transportation safety will continue to be a key Federal responsibility. We must make every effort to ensure that the transportation system is as safe and secure as is humanly possible. Stronger measures must be taken to protect the environment from accidental spills of hazardous materials, and to rid our highways of unsafe commercial drivers and vehicles.

To address these problems the National Transportation Policy recommends improving highway and motor carrier safety by targeting federal financial support and technical assistance to promote enactment and more effective enforcement of laws governing speed limits, driving under the influence of alcohol or drugs, truck

STATEMENT OF
JOHN V. LUPIS, DIRECTOR OF ENGINEERING, INTERMOUNTAIN REGION
FOREST SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE

Before the
Subcommittee on Water Resources, Transportation and Infrastructure
Committee on Environment and Public Works
United States Senate

Concerning Rural Issues in Preparation for the Reauthorization
of the
Federal Aid Highway Program

Boise, Idaho
August 20, 1990

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

Thank you for this opportunity to discuss the Department of Agriculture's views concerning rural and National Forest transportation needs.

National Perspective

The National Forest System contains 191 million acres of forest and rangeland in 44 states, Puerto Rico, and the Virgin Islands. In 1989, these lands provided more than 242 million visitor days of recreation use, 39 percent of all recreation use on Federal lands. National Forests are the primary source of high-quality water for the country, particularly in the West. They are also the home for over 50 percent of the big game animals and freshwater fish in this country. National Forests are a major source of commercial timber with about 11 billion board feet harvested annually, supplying about 25 percent of the wood products used in the United States in 1989. They also provided over 8 million animal months of grazing, and generated 266 million dollars of revenue

driver qualifications and vehicle maintenance, and use of safety belts, child safety seats, and motorcycle helmets; and increase public awareness in those areas.

CONCLUSION

In many ways, the issues and specific problems of rural and urban America seem to be separate, but in another respect, they are the same -- the need for safe, efficient, and reliable transportation options to provide access and ensure future mobility for a growing American population and changing economy. One of the National Transportation Policy's goals is to encourage State, local and private efforts to preserve and enhance efficient transportation service in rural areas lacking effective connections. We feel that the National Transportation Policy will assist in coordinating all available resources towards the achievement of this goal.

That concludes my prepared statement, I will be pleased to answer your questions at this time.

from minerals, oil and gas. Total National Forest System revenues were more than 1.8 billion dollars in 1989.

The natural resources of the National Forest System are among the Nation's greatest assets. They affect the economic, environmental, recreational, and social well-being of all Americans, including the economies of many rural communities within or near National Forests. Demographic, economic, and social trends indicate that the demand for public land and water resources is increasing at a rapid pace. More people are pursuing a wider range of activities on public lands than ever before. Most Americans live within one day's drive of a National Forest.

Almost all of these activities depend on roads. Road management and development are integral parts of managing National Forest System lands.

Idaho Perspective

As a way of providing some background on the level and magnitude of the Forest Service interests in this geographical area, I would like to share some information about the National Forest System in the State of Idaho.

There are 10 National Forests in Idaho. National Forest System land totals about 20.5 million acres and is 38 percent of the land area of Idaho; 35 of 44 counties in Idaho contain National Forest System lands.

National Forests within Idaho contribute a wide variety of resources including 24 million Recreation Visitor Days, one million Animal Unit Months of grazing, and 860 million board feet of timber.

Activities on the National Forests provide a major contribution to Idaho's economy. Rural communities in Idaho depend on a steady, long-term flow of goods and services from National Forest System lands. The continued flow of goods and services can be obtained by building and maintaining an effective transportation system.

A coordinated transportation system consisting of State highways, county roads and Forest Development Roads is essential to the economy of many rural communities.

Critical Role of Transportation System Elements

The National Forests and surrounding communities are served by the public road system and the Forest Development road system. Each of these systems is unique in terms of traffic service, functional class, availability and sources of funding, and basic condition.

The public road system consisting of State and county roads and bridges provides access to get Forest users from their homes to the Forest, and links Forest resources to manufacturing and milling sites. Public roads serve all segments of society, and are funded by the Highway Trust Fund, and State and local taxes.

Forest Development Roads, on the other hand, are roads administered by the Forest Service for the protection, utilization, and administration of National Forest lands and resources. Technically, Forest Development Roads are not "public roads", but are available for public access to the National Forests. These roads provide the access needed to move people and resources within the Forest and connect to the public road system. Forest Development roads and bridges are built and maintained in support of resource management and protection programs.

The transportation system is like the parts of a tree. The tree's trunk is represented by State Highways, the limbs are county roads, and the twigs are Forest Development Roads. Which segment of the system is most important? Similar to the tree, all of the parts are important. Forest users and Forest commodities rely on an interconnected network of roads.

Future transportation needs within the National Forest System are determined by the access requirements of future resource programs as outlined in Forest Plans. The Forest Plans call for a mix of products and uses including recreation, timber, grazing, minerals, and wildlife, and protection of soil, air, and water resources. The transportation emphasis in the Forest Plans is to construct, maintain and manage a safe, efficient, and economical system of roads and bridges to meet these resource and public needs.

Current trends show a shift in age distribution to a more mature, affluent user, with more time to participate in outdoor recreation. The Secretary of Agriculture's 1990 Resources Planning Act (RPA) Program, which provides long-term guidance for Forest Service programs, indicates road use by people

driving for pleasure will continue to increase. In addition, today's National Forest users expect safety, comfort, and convenience from the local, State, and Forest Service road systems.

These trends provide rural communities opportunities to diversify and enhance local economies. As a part of the Presidential initiative for rural economic development, the Chief of the Forest Service has included rural development opportunities in agency resource decisions. The Forest Service transportation system is important to such rural economic development.

A major portion of the public roads and Forest Development Roads are already in existence. Features such as surface condition, width, alignment, grade and structural capability are frequently inadequate even for current traffic needs. Many of these roads were developed on the easiest construction alignments and grades that topography would allow. In the mountains, most routes were located along streams in the bottom of canyons. Often, the roads followed early day Indian, trapper, or gold miner trade routes. Many roads were originally constructed to a width and alignment more suited to lower volumes of smaller, lighter vehicles.

Moreover, many bridges were built as we developed our transportation systems following World War II. These bridges are reaching the end of their structural life expectancy.

Federal Lands Highway Programs

Two Federal Lands Highway Programs provide funding for construction and reconstruction of State and county roads important to the Forest Service. These are the Forest Highway program and the Public Lands Highway program. Forest Highways are public roads on or near National Forest lands. Public Lands Highways are Federal Aid System roads that are located on and pass through Federal lands.

Forest Highways carry both public and National Forest related traffic. The total estimated vehicle miles traveled on these routes is 8.8 billion annually, of which 3.3 billion are related to National Forest. About two-thirds of the National Forest traffic is related to recreation, and about one-third is related to timber production, range use, minerals, and other activities.

Forest Highways have been funded since 1916. In 1982, Forest Highways were included under the Federal Lands Highways Program. The Surface Transportation Act of 1987 authorizes 55 million dollars for Forest Highways and 40 million dollars for Public Lands Highways annually through FY 1991.

Combined, the Forest Highway and Public Lands Highway funds make a significant contribution to improving public roads important to the management and use of National Forest System lands and resources. We support these programs.

Emergency Relief Program for Federally Owned Roads

Another critical program to us is the Emergency Relief Program for Federally Owned Roads, or "ERFO". Because the 191 million acres of National Forest lands are scattered from Alaska to Puerto Rico, our 360,000-mile road system--along with the 25,000 miles of Forest Highways--is particularly vulnerable to damage. Each year, significant natural events, such as floods or landslides, occur somewhere on National Forest System land--resulting in an average of over 9 million dollars of damage. The ERFO program permits immediate repair without disrupting ongoing Agency programs. Serious natural resource program shortfalls would occur without this vital program.

Summary

In summary, I would like to emphasize three points:

1. Our National Forest System lands will continue to provide a wide variety of goods and services to our forest users, but this is only possible with an effective transportation system. This requires a continuing commitment to all segments of the rural road system, including Forest Development Roads, county roads, and State highways.

2. As part of the Presidential initiative for rural economic development for the 90's, the Forest Service is assisting rural communities achieve long-term economic development and improved quality of life. Achieving this goal requires a commitment to work in partnership with rural communities to maintain adequate transportation systems.

3. Both the Federal Lands Highway Program and the Emergency Relief Program for Federally Owned Roads have been and will continue to be important to accomplishing our Forest Service mission.

I would be pleased to answer questions or provide additional information.

RURAL ISSUES IN PREPARATION FOR THE REAUTHORIZATION OF THE FEDERAL-AID HIGHWAY PROGRAM - AUGUST 20, 1990

IDAHO TRANSPORTATION DEPARTMENT TESTIMONY TO THE UNITED STATES SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE, SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE.

MR. CHAIRMAN, I AM KERMIT KIEBERT, DIRECTOR OF THE IDAHO TRANSPORTATION DEPARTMENT AND I WANT TO THANK YOU FOR THE OPPORTUNITY TO TESTIFY ON RURAL ISSUES. OUR TESTIMONY IS STRUCTURED IN RESPONSE TO THE ITEMS LISTED IN THE INVITATION TO TESTIFY.

(1) THE ROLE OF FEDERAL, STATE AND LOCAL GOVERNMENTS IN THE FEDERAL-AID HIGHWAY PROGRAM IN THE POST-INTERSTATE ERA;

THE ROLES OF GOVERNMENT SHOULD GIVE PRIORITY TO THE MOST EFFICIENT SOLUTIONS, MOST DIRECT RESPONSIBILITY FOR TORT LIABILITY, MOST DIRECT RESPONSIBILITY FOR PLANNING AND PROJECT ENGINEERING DECISION MAKING, AND ACCOUNTABILITY TO CONGRESS FOR ACHIEVING OBJECTIVES.

CONCERNING THE HIGHWAY SYSTEM OF NATIONAL SIGNIFICANCE (HSNS), THE FEDERAL ROLE SHOULD INSURE CONTINUITY OF THE NATIONAL NETWORK OF HIGHWAYS AND BE AN EQUAL PARTNER OF THE STATE IN DECISION MAKING FOR INCREASES IN CAPACITY.

THE STATES SHOULD HAVE GREATER DISCRETIONARY AUTHORITY CONCERNING PRESERVATION, RECONSTRUCITON, AND REHABILITATION ENGINEERING DECISIONS ON THE HSNS OR FLEXIBLE FEDERAL-AID PROJECTS. FEDERALLY REQUIRED INFORMATION REPORTING OR MANAGEMENT SYSTEMS SHOULD NOT CONTROL INDIVIDUAL PROJECT DESIGN OR SCOPE.

THE ROLE OF THE FEDERAL HIGHWAY ADMINISTRATION SHOULD BE RE-EXAMINED IN LIGHT OF THE FACT THAT STATES HAVE BECOME HIGHLY SOPHISTICATED IN ENGINEERING AND REGULATORY COMPLIANCE SINCE THE ADVENT OF THE INTERSTATE PROGRAM IN 1956.

IT IS TIME FOR THE FEDERAL HIGHWAY ADMINISTRATION ROLE TO BE PRIMARILY THAT OF AUDITING TO INSURE THAT TRANSPORTATION FUNDS ARE SPENT ON TRANSPORTATION, AUDITING FEDERAL REGULATORY COMPLIANCE, FOSTERING APPLIED RESEARCH BY THE LARGER STATE TRANSPORTATION DEPARTMENTS, CONTINUING THE STRATEGIC HIGHWAY RESEARCH PROGRAM, PURSUING BASIC RESEARCH THOUGH THE TRANSPORTATION RESEARCH BOARD, AND PROVIDING INFORMATION TO CONGRESS ON THE MEETING OF TRANSPORTATION PROGRAM OBJECTIVES ACROSS THE FOUR OR FIVE YEAR LIFE OF THE AUTHORIZATION.

PROVIDED THAT THE HSNS PROGRAM AND THE FLEXIBLE FEDERAL-AID PROGRAM ARE EQUALLY FUNDED, THE STATES SHOULD HAVE THE DISCRETION TO TRANSFER UP TO 20% OF THEIR TOTAL APPORTIONMENT TO EITHER THE HSNS OR FLEXIBLE PROGRAM WITHOUT FEDERAL APPROVAL. THIS TRANSFER PROVISION WOULD ALLOW STATES TO MAKE THE MOST EFFICIENT USE OF FEDERAL-AID.

(2) DESIGN SPECIFICATIONS ON RURAL HIGHWAYS;

DESIGN STANDARDS FOR RURAL HIGHWAYS ALREADY EXIST IN THE AASHTO GUIDELINES AND STANDARDS FOR RURAL HIGHWAYS. THE STATES CAN RESPONSIBLY PROVIDE THE NECESSARY FLEXIBILITY IN APPLICATION OF THE AASHTO RURAL STANDARDS BECAUSE THE STATES ARE DIRECTLY RESPONSIBLE FOR TORT LIABILITY.

DESIGN ENGINEERING AND PROJECT SCOPE DECISIONS ARE NEEDLESSLY COMPLICATED BY FEDERAL APPROVALS. THE INCREASED COST DUE TO EXCESSIVE FEDERAL INVOLVEMENT IN DECISIONS IS FURTHER COMPOUNDED BY LACK OF PERSONNEL CONTINUITY IN DIVISION, REGION, AND NATIONAL LEVELS.

ENGINEERING AND PROJECT SCOPE DECISIONS SHOULD NOT BE CONFUSED WITH RECOGNITION OF DESIGN STANDARDS. BY DEFINITION, HIGHWAY DESIGN STANDARDS ARE GUIDELINES WITH A RANGE OF APPLICATION DEPENDING UPON INTERPRETATION OF VARYING CONDITIONS. PROJECT DESIGN AND SPECIFICATION DECISIONS FOR RECONSTRUCTION OR REHABILITATION WOULD BE BEST SERVED UNDER STATE DISCRETION.

THE STATES HAVE THE EXPERTISE AND PROCEDURES IN PLACE TO MAKE PROJECT ENGINEERING DECISIONS WITHOUT FHWA APPROVAL OR EXCESSIVE REQUIREMENTS FOR DOCUMENTATION OF ALTERNATIVES CONSIDERED.

AS A CASE IN POINT, IDAHO HAD TO SPEND 100% STATE FUNDS ON THE GRINDING OF FIVE MILES OF INTERSTATE 84 PAVEMENT BECAUSE THE FEDERAL LEVEL COULD NOT AGREE WITH THE FEDERAL GUIDELINES FOR PAVEMENT REHABILITATION. THE INTERSTATE 4R FUNDS FOR THAT PROJECT WERE TRANSFERRED TO A CONSTRUCTION PROJECT ON US 95. THIS INEFFICIENCY OF DECISION MAKING WOULD BE REDUCED, IF NOT ELIMINATED, IF THE STATE HAD DISCRETIONARY AUTHORITY FOR THE ENGINEERING AND PROJECT SCOPE ON PROJECTS THAT ADDRESS REHABILITATION, RECONSTRUCTION OR RESURFACING.

(3) RURAL ROAD SAFETY ISSUES; SMALL COMMUNITY PROGRAMS, RAIL HIGHWAY CROSSINGS, CONSOLIDATION OF SAFETY CATEGORIES;

IF SAFETY IS RETAINED AS A SEPARATE CATEGORY, HAZARD ELIMINATION SAFETY (HES) FUNDS SHOULD BE COMBINED WITH RAIL CROSSING PROTECTION FUNDS. THE CURRENT HAZARD ELIMINATION CRITERIA REQUIRES THAT FATALITIES AT A PROJECT LOCATION, EXCEED THE STATEWIDE AVERAGE BEFORE HES FUNDS CAN BE APPLIED TO THE PROJECT. SINCE RAIL CROSSING PROJECTS ARE FUNDED BASED ON THE PROBABILITY FOR ACCIDENTS, THE IDAHO TRANSPORTATION DEPARTMENT SEES NO REASON WHY HAZARD ELIMINATION SAFETY PROJECTS CANNOT BE FUNDED BASED ON AN ACCIDENT OR FATALITY PROBABILITY ASSESSMENT BY THE STATE.

FURTHER, IF RAIL CROSSING OR HAZARD ELIMINATION FUNDS ARE TEMPORARILY UNUSED DUE TO THE TIME REQUIRED FOR PROJECT DEVELOPMENT OR OBTAINING RAILROAD AGREEMENTS, THERE SHOULD BE A PROVISION ALLOWING TRANSFER OF THESE FUNDS TO URBAN OR FEDERAL-AID SECONDARY PROJECTS.

IF SAFETY FUNDS ARE INCORPORATED IN A FLEXIBLE FEDERAL-AID PROGRAM THERE WOULD BE NO PROBLEMS WITH CATEGORICAL RESTRAINT OF USE OF THE FUNDS, AND, OVER THE LIFE OF THE REAUTHORIZATION, SPECIFIC SAFETY OBJECTIVES WOULD BE ADDRESSED.

(4) THE IMPACT OF FEDERAL FUEL TAX TAX INCREASE ON RURAL AREAS;

A FEDERAL FUEL TAX INCREASE FOR OTHER THAN HIGHWAY PURPOSES WOULD DIMINISH THE ECONOMY OF RURAL IDAHO BECAUSE THERE WOULD BE NO BENEFIT TO THE TRANSPORTATION SYSTEM THROUGH PROJECTS THAT REDUCE TRANSPORTATION COST.

IF A FEDERAL FUEL TAX INCREASE WAS FULLY APPLIED TO TRANSPORTATION, WITH RURAL HIGHWAYS SHARING AS DONEE RECIPIENTS, THE INCREASE WOULD BE BENEFICIAL TO RURAL AREAS. ADDITIONAL FUNDING FOR RURAL HIGHWAY PROJECTS WOULD BENEFIT THE NATION BECAUSE REDUCED COST FOR MOVING AGRICULTURAL AND NATURAL RESOURCE PRODUCTS AND RECREATION ACCESS SERVES THE NATIONAL INTEREST.

(5) APPORTIONMENT FORMULAS AND THE IMPACT OF CHANGE IN MATCHING RATIOS ON RURAL AREAS;

APPORTIONMENT FORMULAS MAY BE BASED ON SUCH ELEMENTS AS VEHICLE MILES OF TRAVEL, TOTAL PUBLIC ROAD MILEAGE, AND DIESEL FUEL CONSUMPTION IF THE FORMULAS PROVIDE ADEQUATE FUNDING FOR RURAL, HIGH-MILEAGE, LOW POPULATION DENSITY STATES.

IF THE APPORTIONMENT FORMULA IS CONSTRUCTED TO RETURN THE INTERSTATE COMPLETION FUNDS TO THE DONOR STATES, THE RURAL STATES SHOULD RECEIVE AN APPORTIONMENT EQUAL TO THAT UNDER CURRENT FORMULA, LESS INTERSTATE COMPLETION WITH THE EXCEPTION OF A FIVE TENTHS PERCENT OF INTERSTATE COMPLETION FUNDS ADDED TO THE INTERSTATE REHABILITATION APPORTIONMENT.

DEPENDING UPON THE STRUCTURE OF A NEW FORMULA DESIGNED TO BENEFIT DONOR STATES, A FORMULA APPORTIONMENT SUPPLEMENT FOR LOW POPULATION DENSITY STATES MAY BE NECESSARY. RURAL, HIGH-MILEAGE LOW POPULATION DENSITY STATES SHOULD ALSO SHARE IN ANY INCREASE ABOVE CURRENT FEDERAL HIGHWAY TRUST FUND REVENUES

IDAHO'S OVERALL RECOMMENDATION CONCERNING FEDERAL HIGHWAY TRUST FUND APPORTIONMENT IS THAT THE DONOR-DONEE RELATIONSHIP BETWEEN THE STATES SHOULD BE CONTINUED IN THE INTEREST OF HAVING A VIABLE HIGHWAY SYSTEM NATIONWIDE.

MATCHING RATIOS FOR ALL FEDERAL-AID HIGHWAY PROJECTS SHOULD BE 85 PERCENT FEDERAL SHARE AND 15 PERCENT STATE OR LOCAL SHARE. IF FEDERAL-AID MATCHING RATIOS ARE DIFFERENT FOR PORTIONS OF THE HIGHWAY SYSTEM, THE PLANNING AND MANAGMENT OF THE SYSTEM WOULD TEND TO BE DISTORTED IN ORDER TO OBTAIN THE HIGHEST MATCHING RATIO.

LOWERING THE FEDERAL SHARE OF THE MATCHING RATIO BELOW 85 PERCENT WOULD MEAN THAT IDAHO'S HIGHWAY PROGRAM WOULD BE ENTIRELY FEDERAL AND WOULD BE NO MORE FLEXIBLE OR COST EFFECTIVE THAN FEDERAL REGULATIONS ALLOWED IT TO BE AND THAT IDAHO WOULD CONSTRUCT FEWER MILES OF REPAVING OF EXISTING HIGHWAYS.

THE PROVISION IN TITLE 23 SECTION 120 FOR SLIDING SCALE MATCHING RATIOS FOR STATES WITH NON-TAXABLE NATIONAL FOREST LANDS, FEDERAL PUBLIC LANDS, INDIAN LANDS AND NATIONAL PARKS AND MONUMENTS LANDS MUST BE RETAINED OR IDAHO WOULD BE SEVERELY REDUCED IN THE CAPABILITY TO FUND FEDERAL-AID PROJECTS THROUGH FEDERAL LANDS.

REMOVAL OF THE SLIDING SCALE MATCHING PROVISIONS THROUGH NON-TAXABLE FEDERAL LANDS WOULD BE THE EQUIVALENT OF IMPOSING A PENALTY FOR HAVING SUCH LANDS EXIST WITHIN THE STATE.

(6) OFF SYSTEM BRIDGES AND TIMBER BRIDGES;

THE CURRENT CRITICAL BRIDGE FUNDING APPORTIONMENT IS BASED ON NEEDS EXPRESSED IN DOLLARS. THIS METHOD OF APPORTIONMENT PROVIDES INCENTIVE TO DELAY THE REPLACEMENT OF VERY LARGE BRIDGES IN ORDER TO OBTAIN THE MAXIMUM APPORTIONMENT. SINCE IDAHO HAS NO LARGE BRIDGES WITH SUFFICIENCY LESS THAN FIFTY, THE CRITICAL BRIDGE APPORTIONMENT IS AT THE MINIMUM. IDAHO'S CRITICAL BRIDGE APPORTIONMENT HAS DECREASED FASTER THAN THE RATE OF REPLACEMENT.

BECAUSE OF THIS, THE MAXIMUM FUNDS THAT CAN BE ANNUALLY ALLOCATED TO LOCAL OFF SYSTEM BRIDGES HAS DIMINISHED TO ONE POINT THREE MILLION DOLLARS FOR THE ENTIRE STATE WITH OVER 380 LOCAL BRIDGES THAT HAVE A SUFFICIENCY RATING OF LESS THAN 50.

CRITICAL BRIDGE FUNDING APPORTIONMENT SHOULD NOT BE BASED ON COST-TO-REPLACE NEEDS.

(7) PRIVATE DONATIONS OF MONEY OR IN KIND CONTRIBUTIONS IN LIEU OF A LOCAL CASH MATCH FOR FEDERAL-AID HIGHWAY PROJECTS;

UNDER CURRENT FEDERAL CODE, IF STATE OR LOCAL ROAD JURISDICTION FORCES DO WORK ON A FEDERAL-AID PROJECT THAT WORK MAY BE CREDITED IN LIEU OF CASH MATCH FOR THE PROJECT.

DONATED WORK OR MATERIALS FROM THE PRIVATE SECTOR OR FROM A NON-ROAD AGENCY SHOULD HAVE AN EQUAL OPPORTUNITY FOR BEING CREDITED TO THE LOCAL OR STATE MATCH IN LIEU OF CASH.

THE FEASIBILITY OF CREDITING PRIVATE SECTOR WORK AND OTHER-AGENCY ENGINEERING WORK IN LIEU OF LOCAL CASH MATCH HAS BEEN DEMONSTRATED SUCCESSFULLY IN IDAHO ON A FEDERAL-AID PROJECT IN BENEWAH COUNTY. THAT CREDITING, HOWEVER, REQUIRED A SPECIAL PROVISION OF FEDERAL CODE.

IN THE NEXT REAUTHORIZATION, PROVISION SHOULD BE INCLUDED TO ALLOW THE CREDITING OF PRIVATE SECTOR WORK, OR WORK BY OTHER AGENCIES, IN LIEU OF CASH MATCH ON LOCAL OR STATE SPONSORED FEDERAL-AID PROJECTS.

(8) ADVANTAGES/DISADVANTAGES OF INCREASED TRUCK SIZES AND WEIGHTS FOR RURAL ROADS/RURAL COMMUNITIES;

RURAL AREAS AND COMMUNITIES ARE ECONOMICALLY DEPENDENT ON TRANSPORT OF PRODUCTS AND COMMODITIES BECAUSE AT LEAST 25 PERCENT OF THE MARKET PRICE OF PRODUCTS IS ATTRIBUTABLE TO TRANSPORTATION COSTS.

HIGHER GROSS LOADS WILL NOT ADVERSELY AFFECT RURAL HIGHWAYS IF AXLE WEIGHT AND SPACING IS COMPATIBLE WITH THE ROAD AND BRIDGE LOAD BEARING CAPACITY.

THE IDAHO TRANSPORTATION DEPARTMENT SUPPORTS THE WASHTO HIGHWAY TRANSPORT SUBCOMMITTEE RECOMMENDATION THAT THE MAXIMUM GROSS VEHICLE WEIGHT BE INCREASED TO 129,000 POUNDS IN ACCORDANCE WITH THE FEDERAL BRIDGE FORMULA "B" FOR AXLE WEIGHTS AND AXLE SPACING.

THE DEPARTMENT FURTHER RECOMMENDS THAT LONGER COMBINATION VEHICLES SHOULD CONTINUE TO OPERATE BY PERMIT AS OPPOSED TO BLANKET MAXIMUM LEGAL LENGTH. THIS RECOMMENDATION IS NECESSARY BECAUSE MANY RURAL BRIDGES AND HIGHWAYS, WHILE BEING ABLE TO SUPPORT FORMULA "B" AXLE WEIGHT AND SPACING, DO NOT HAVE THE CURVATURE AND WIDTH TO SAFELY ACCOMODATE ALL TRUCK COMBINATIONS UP TO A MAXIMUM 105 FEET LENGTH.

(9) RURAL HIGHWAY NEEDS ON FEDERAL LANDS;

ALL OF IDAHO'S HIGHWAYS THROUGH FEDERAL LANDS ARE NECESSARY FOR COMMERCE AND COMMERCIAL TRUCKING AS WELL FOR GENERAL PUBLIC TRAVEL AND ACCESS TO FEDERAL LANDS. AS AN EXAMPLE, ALL OF THE HIGHWAYS SERVING THE PORT OF LEWISTON CARRY INTERSTATE TRUCKING THAT MUST GO THROUGH FEDERAL LANDS ON PRIMARY HIGHWAYS. AT THE SAME TIME, THESE HIGHWAYS ARE TRAVEL AND ACCESS ROUTES FOR TOURISTS AND RECREATION TRAVELERS. KEY SECTIONS OF THESE HIGHWAYS NEED WIDENING OR ADDED LANES IN ORDER TO SAFELY ACCOMODATE THE MIX OF TRAFFIC.

THE FOREST HIGHWAY PROGRAM AND FUNDING FOR PUBLIC LANDS SHOULD BE CONTINUED IN THE NEXT HIGHWAY TRUST FUND REAUTHORIZATION AS AN AID TO ADEQUATELY FUNDING RURAL HIGHWAYS THROUGH FEDERALLY OWNED LANDS.

(10) RURAL AGRICULTURAL/INDUSTRY TRANSPORTATION NEEDS;

ALL OF IDAHO'S FIVE THOUSAND MILES OF STATE HIGHWAYS AND TWENTY NINE THOUSAND MILES OF LOCAL HIGHWAYS SUPPORT AGRICULTURE, NATURAL RESOURCE PRODUCTION, OR RURAL INDUSTRY.

DIMINISHMENT OF FEDERAL-AID OR REDUCING THE FEDERAL SHARE OF THE MATCHING RATIO WILL SEVERELY IMPACT THE ABILITY OF IDAHO TO PROVIDE HIGHWAYS FOR COMMERCE, TOURISM AND PUBLIC TRAVEL.

BECAUSE IDAHO HAS NO NORTH-SOUTH INTERSTATE ROUTE AND THE ONLY NORTH-SOUTH SURFACE TRANSPORTATION ROUTE IS U.S.95, IT IS ESSENTIAL THAT THE CURRENT ELIGIBILTY PROVISIONS FOR U.S.95 FOR INTERSTATE 4R FUNDING BE RETAINED FOR IDAHO. U.S. 95 SERVES THE PORT OF LEWISTON AND IS THE ONLY NORTH-SOUTH CONNECTION IN IDAHO BETWEEN INTERSTATE 84, INTERSTATE 90 AND THE CANADIAN BORDER.

(11) ANY OTHER ISSUES OF CONCERN REGARDING RURAL HIGHWAYS.

THERE IS CONCERN BY MANY RURAL STATES THAT LOCAL FEDERAL-AID SECONDARY, URBAN FUNDING, AND CRITICAL BRIDGE FUNDING MAY DISAPPEAR OR BE LOST IN A FLEXIBLE HIGHWAY PROGRAM OF THE NEXT REAUTHORIZATION OF THE FEDERAL-AID HIGHWAY PROGRAM. AT THE SAME TIME THERE IS CONSIDERABLE NEED BY THE HIGH POPULATION STATES TO HAVE FEDERAL-AID FUNDING WITH A HIGH DEGREE OF FLEXIBILITY.

THE IDAHO TRANSPORTATION DEPARTMENT RECOMMENDS THAT THE FLEXIBLE HALF OF THE HIGHWAY PROGRAM IN THE NEXT REAUTHORIZATION BE STRUCTURED TO INCLUDE FUNDED CATEGORIES FOR SECONDARY, URBAN, AND CRITICAL BRIDGES.

IT IS STRONGLY RECOMMENDED, HOWEVER, THAT A FULLY FLEXIBLE HIGHWAY PROGRAM OPTION, WITH SECONDARY, URBAN, AND CRITICAL BRIDGE FUNDING INCORPORATED BUT WITHOUT CATEGORICAL RESTRICTIONS ON USE OF THE FUNDS, SHOULD BE DESCRIBED IN THE REAUTHORIZATION ACT AND THE STATE TRANSPORTATION DEPARTMENTS PROVIDED THE DISCRETIONARY OPTION TO ELECT TO UTILIZE THE FULLY FLEXIBLE PROGRAM WITH A REPORTING SYSTEM FOR ADDRESSING CATEGORY OBJECTIVES OVER THE LIFE OF THE ACT.

WITH THE FOREGOING RECOMMENDATION FOR PROVIDING SECONDARY, URBAN, AND CRITICAL BRIDGE CATEGORIES WITHIN A FLEXIBLE PROGRAM, AND PROVIDED THAT THE STATE TRANSPORTATION DEPARTMENT SHALL HAVE THE OPTION TO UTILIZE A FULLY FLEXIBLE PROGRAM WITHOUT CATEGORICAL FUNDING LIMITATIONS, AND WITH THE PROVISO THAT APPORTIONMENT FORMULA WILL NEED CLOSE ATTENTION, THE IDAHO TRANSPORTATION DEPARTMENT SUPPORTS THE JUNE 1990 RECOMMENDATIONS BY THE CALIFORNIA TRANSPORTATION DEPARTMENT FOR A POST-INTERSTATE NATIONAL SURFACE TRANSPORTATION PROGRAM.

MISTER CHAIRMAN, ON BEHALF OF THE IDAHO TRANSPORTATION BOARD AND THE DEPARTMENT, I THANK YOU FOR THIS OPPORTUNITY TO TESTIFY.

STATEMENT OF

NORTH DAKOTA DEPARTMENT OF TRANSPORTATION
SOUTH DAKOTA DEPARTMENT OF TRANSPORTATION
MONTANA DEPARTMENT OF HIGHWAYS
WYOMING HIGHWAY DEPARTMENT

REGARDING

FUTURE FEDERAL-AID HIGHWAY LEGISLATION
AND
THE NATIONAL INTEREST IN CONTINUING
FEDERAL INVESTMENT IN HIGHWAYS IN RURAL STATES

PRESENTED BY

RICHARD J. BACKES, DIRECTOR
NORTH DAKOTA DEPARTMENT OF TRANSPORTATION

BEFORE THE
UNITED STATES SENATE
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
SUBCOMMITTEE ON WATER RESOURCES,
TRANSPORTATION AND INFRASTRUCTURE

BOISE, IDAHO

AUGUST 20, 1990

STATEMENT OF
NORTH DAKOTA, SOUTH DAKOTA
MONTANA, AND WYOMING
REGARDING
FUTURE FEDERAL-AID HIGHWAY LEGISLATION
BOISE, IDAHO
AUGUST 20, 1990

I AM RICHARD BACKES, COMMISSIONER/DIRECTOR OF THE NORTH DAKOTA DEPARTMENT OF TRANSPORTATION. I APPEAR HERE TODAY TO PRESENT A JOINT STATEMENT ON BEHALF OF MY OWN STATE AND ALSO THE STATES OF SOUTH DAKOTA, MONTANA, AND WYOMING.

MAINTAINING AN ADEQUATE HIGHWAY SYSTEM IN RURAL AREAS IS NOT ONLY CRITICALLY IMPORTANT TO OUR STATES, BUT ALSO TO OUR ENTIRE NATION'S ECONOMIC FUTURE. SO, WE APPRECIATE THIS OPPORTUNITY TO PRESENT OUR VIEWS ON THE REAUTHORIZATION OF THE FEDERAL-AID HIGHWAY PROGRAM.

THE FEDERAL-AID HIGHWAY PROGRAM HAS BEEN ONE OF THE MOST SUCCESSFUL, LONG-RUNNING PARTNERSHIPS BETWEEN FEDERAL AND STATE AGENCIES. HOWEVER, SOME SUGGEST THAT WHOLESALE CHANGES SHOULD BE MADE TO THE HIGHWAY PROGRAM BECAUSE THE INTERSTATE SYSTEM IS NEARING COMPLETION. WE DISAGREE. WE STRONGLY OPPOSE PROPOSALS TO CHANGE FUNDING FORMULAS WHICH REDUCE OUR FUNDING, OR WHICH REDUCE THE FEDERAL SHARE AND INCREASE THE STATES' MATCHING SHARE. SUCH PROPOSALS ARE DEVASTATING TO RURAL STATES WHO ARE LIMITED IN THEIR ABILITY TO GENERATE ADDITIONAL REVENUE.

IN THE BALANCE OF MY TESTIMONY TODAY WE WILL FIRST, EXPLAIN THAT IT REMAINS IN THE NATIONAL INTEREST FOR THE FEDERAL GOVERNMENT TO INVEST IN THE PRESENT SYSTEM OF FEDERAL-AID HIGHWAYS IN RURAL AS WELL AS OTHER AREAS.

SECOND, WE WILL EXPLAIN OUR SUPPORT FOR INCREASED HIGHWAY FUNDING IN ALL AREAS OF THE COUNTRY, RURAL AND METROPOLITAN. THE NEED TO INCREASE FUNDING IS SOMETHING YOU HAVE ADDRESSED, SENATOR SYMMS, IN INTRODUCING NEW LEGISLATION, S. 3001 -- AND WE AGREE WITH YOU.

THIRD, WE WANT TO DESCRIBE THE POSITIONS TAKEN IN THE DRAFT HIGHWAY POSITION PAPER WHICH IS ATTACHED TO MY PREPARED STATEMENT. WHILE IT IS AT THIS TIME STILL ONLY A DRAFT, IT HAS BEEN OFFERED FOR DISCUSSION PURPOSES BY THE WESTERN ASSOCIATION OF STATE HIGHWAY TRANSPORTATION OFFICIALS (WASHTO).

IMPORTANCE OF RURAL HIGHWAYS TO THE NATION

A. Movement of Nationally Significant Commodities to Market

An August 5, 1990 Washington Post article about the Soviet economy may be an unusual place to find a compelling reason why good roads in rural areas are important to our economy -- but it is right on target. The Post reports that "miserable country roads" are among the reasons why, during harvest time, the Soviet Union loses as much as 2 million tons of grain daily. Inadequate transportation from farm to market, and the resulting rotting of grain in or near the fields, has led to warnings that "Moscow could face a winter without vegetables or potatoes."

WE ARE NOT FACED WITH A CRISIS OF THAT MAGNITUDE IN OUR COUNTRY, BUT ONE OF THE REASONS WHY IS THAT THE FEDERAL-AID HIGHWAY PROGRAM HAS INVESTED IN SELECTED ROADS IN RURAL AREAS. FEDERAL ASSISTANCE FOR RURAL ROADS ON THE FEDERAL-AID HIGHWAY SYSTEM IS VITAL TO THE NATION'S OVERALL SYSTEM FOR MOVING NATIONALLY SIGNIFICANT COMMODITIES SUCH AS AGRICULTURAL PRODUCTS, TIMBER, AND OTHER NATURAL RESOURCES FROM PRODUCING AREAS TO MARKETS.

FEDERAL AID HIGHWAYS IN RURAL WESTERN STATES SERVE MAJOR NATIONAL INTERESTS. THEY SERVE AS MAJOR CONNECTOR ROUTES FOR THE CROSS COUNTRY MOVEMENT OF PEOPLE AND COMMODITIES. THEY SERVE TO CONNECT AGRICULTURAL PRODUCERS WITH NATIONAL AND INTERNATIONAL MARKETS. IT IS CLEARLY IN THE NATIONAL INTEREST TO MOVE GOODS EFFICIENTLY FROM FARM TO MARKET.

B. National Interconnectivity

The Federal-aid highway program must continue to invest in roads in rural states because efficient highway travel across those states provides tremendous benefits to the citizens of major population centers. Many of these states function as "bridge states" and provide connecting links between such important areas as the Great Lakes and Pacific Rim. States like ours cannot afford to build and maintain, solely for the needs of our own citizens, long stretches of Interstate and primary highways. Recognizing this, Congress has legislated a Federal-aid highway system under which roads across rural areas have been financed in part by taxes paid into the Federal Highway Trust Fund by citizens from metropolitan areas. And, Congress should continue on that course.

WE HAVE SEEN SUGGESTIONS BY SOME THAT, BECAUSE OF THIS FINANCING PATTERN, CERTAIN STATES ARE "DONORS" TO THE FEDERAL HIGHWAY PROGRAM AND OTHERS ARE "DONEES," AS IF THOSE LABELS ALONE MEAN THE PROGRAM SHOULD BE CHANGED. WE REJECT THAT TERMINOLOGY AS OVERLOOKING THE IMPORTANT FACT ALL CITIZENS, BOTH THOSE IN RURAL AND METROPOLITAN AREAS, ARE BENEFICIARIES OF A WELL DEVELOPED HIGHWAY SYSTEM STRETCHING ACROSS OUR COUNTRY. THIS BASIC CONCEPT MUST CONTINUE IF WE ARE TO HAVE A TRULY NATIONAL HIGHWAY SYSTEM. SO THE CITIZENS IN MAJOR METROPOLITAN AREAS ARE DIRECT BENEFICIARIES OF THOSE ROADS IN WAYS BEYOND, FOR EXAMPLE, THE AMOUNT OF FUEL TAX THAT MIGHT BE COLLECTED IN NORTH DAKOTA FROM A TRUCK MOVING MANUFACTURED GOODS FROM CLEVELAND TO PORTLAND. THAT ROAD HELPED CREATE A

MARKET FOR THE GOODS MOVED IN THAT TRUCK, A MARKET NEEDED BY THE PEOPLE IN THE METROPOLITAN AREAS TO SUPPORT THEIR COMPANIES AND JOBS. THOSE ROADS ALLOW MANUFACTURED AND RAW PRODUCTS, TOURISTS, BUSINESS PEOPLE, MOVING VANS AND OUR NATION'S MILITARY TO TRAVEL EFFICIENTLY THROUGHOUT THE COUNTRY.

IN SHORT, MR. CHAIRMAN, THERE ARE GOOD REASONS WHY THE FEDERAL GOVERNMENT MUST MAKE THE INVESTMENTS NEEDED TO PRESERVE THE ENTIRE CURRENT FEDERAL-AID HIGHWAY SYSTEM. IT IS NOT IN THE NATIONAL INTEREST FOR THE FEDERAL GOVERNMENT TO ABANDON ITS LONG STANDING COMMITMENT TO FEDERAL-AID HIGHWAYS IN RURAL AS WELL AS METROPOLITAN AREAS. WE BELIEVE THERE REMAINS A STRONG NEED FOR AN ONGOING FEDERAL/STATE TRANSPORTATION PROGRAM THAT CONTINUES OR BUILDS ON THE CURRENT PROGRAM. RURAL AMERICA MUST NOT BE

ABANDONED BY ITS FEDERAL PARTNER NOW THAT THE EMPHASIS HAS SHIFTED FROM INITIAL CONSTRUCTION TO PRESERVATION AND REHABILITATION. NATIONAL INTERESTS CANNOT BE SERVED BY PROPOSALS TO EFFECTIVELY REDUCE THE FOCUS OF THE FEDERAL-AID SYSTEM FROM ROUGHLY 840,000 MILES TO ONLY 150,000 MILES.

NEED FOR INCREASED FUNDING

SENATOR SYMMS, WE AGREE WITH YOU AND MANY OTHERS IN THE CONGRESS THAT THE PRESENT LEVEL OF FEDERAL HIGHWAY FUNDING IS SIMPLY INADEQUATE. AT THIS TIME, NO STATE OR REGION OF THE COUNTRY IS ABLE TO DO AS MUCH WORK AS IT MUST TO MAINTAIN OR PRESERVE, MUCH LESS IMPROVE, THE HIGHWAY SYSTEM WITHIN ITS BORDERS. THE PROBLEM IS NOT THAT SOME STATES ARE RECEIVING TOO MUCH, BUT THAT ALL STATES NEED ADDITIONAL REVENUE.

WHILE WE RECOGNIZE AND ARE CONCERNED ABOUT THE SIZE OF THE FEDERAL DEFICIT, THERE ARE TWO MAIN REASONS WHY WE SUPPORT A FEDERAL HIGHWAY FUNDING INCREASE.

FIRST, THE FEDERAL-AID HIGHWAY PROGRAM IS SUPPORTED BY USER FEES WHICH ARE PLACED IN A TRUST FUND, TO BE USED FOR HIGHWAY AND LIMITED TRANSIT PURPOSES. THE MONEY HAS BEEN COLLECTED AND SHOULD BE USED FOR THE PURPOSE IT WAS INTENDED. SIMPLY, THEIR IS MONEY AVAILABLE IN THE HIGHWAY TRUST FUND TO SUPPORT AN INCREASE IN HIGHWAY SPENDING AND THAT MONEY SHOULD BE SPENT.

SECOND, HIGHWAY SPENDING WILL PRODUCE AN ECONOMIC PAYOFF FOR THE NATION, IN TERMS OF ECONOMIC GROWTH, PRODUCTIVITY, AND INTERNATIONAL COMPETITIVENESS.

SENATOR, YOU HAVE CITED THESE REASONS IN INTRODUCING S. 3001, A BILL WHICH INCREASES THE SIZE OF THE HIGHWAY PROGRAM BY SPENDING DOWN THE TRUST FUND BALANCE AND REMOVES THE HIGHWAY TRUST FUND FROM DEFICIT REDUCTION CALCULATIONS. THIS IS AN EXCELLENT PROPOSAL AND YOU HAVE OUR SUPPORT. YOU WILL SEE THAT THE DRAFT PROPOSAL WE HAVE ATTACHED TO THIS TESTIMONY ALSO CALLS FOR INCREASED FEDERAL HIGHWAY SPENDING TO DRAW DOWN THE FEDERAL HIGHWAY TRUST FUND BALANCE.

DRAFT WASHTO POSITION PAPER

MR. CHAIRMAN, OVER THE PAST YEAR NORTH AND SOUTH DAKOTA HAVE WORKED WITH MONTANA AND WYOMING ON WHAT HAS NOW EVOLVED INTO A DRAFT PROPOSAL ENTITLED "A FEDERAL-AID PROGRAM FOR THE 90'S." IN REACHING ITS

CURRENT WORDING WE HAVE RECEIVED INPUT AND COMMENTS FROM SEVERAL WESTERN STATES.

I WILL BRIEFLY ATTEMPT TO SUMMARIZE SOME OF THE MAJOR POINTS IN THE PROPOSAL.

1. FUNDING FOR THE FEDERAL-AID HIGHWAY AND TRANSIT PROGRAMS SHOULD BE INCREASED. THIS PROPOSAL CALLS FOR AN IMMEDIATE INCREASE IN THE SIZE OF THE HIGHWAY PROGRAM FROM THE CURRENT ANNUAL FUNDING LEVEL OF APPROXIMATELY $13.5 BILLION TO $16 BILLION. EACH YEARS SPENDING LEVEL FOR HIGHWAYS WOULD INCLUDE AN AMOUNT EQUAL TO:

-THE ANNUAL USER TAX REVENUES THAT ARE COLLECTED, PLUS

-THE INTEREST ON FUNDS IN THE HIGHWAY ACCOUNT OF THE TRUST FUND, PLUS

-AN ANNUAL SPEND DOWN OF ABOUT $1.5 BILLION OF THE TRUST FUND BALANCE.

2. THE FIRST PRIORITY OF THE REAUTHORIZATION OF THE FEDERAL-AID HIGHWAY PROGRAM MUST BE TO PRESERVE THE ENTIRE EXISTING FEDERAL-AID SYSTEM. FUTURE LEGISLATION SHOULD CONTINUE TO FUND PROGRAMS DIRECTED AT ALL COMPONENTS OF THE PRESENT FEDERAL-AID HIGHWAY SYSTEM, NOT JUST A FEW ROADS, IN RECOGNITION THAT THE ENTIRE FEDERAL-AID SYSTEM IS OF NATIONAL SIGNIFICANCE.

3. STATES SHOULD HAVE INCREASED FLEXIBILITY TO TRANSFER FUNDS BETWEEN DIFFERENT PROGRAM CATEGORIES, INCLUDING THE AUTHORITY TO TRANSFER FUNDS BETWEEN FEDERAL HIGHWAY CATEGORIES OR EVEN TO TRANSIT WITHOUT FHWA APPROVAL. WE HAVE HEARD CONCERN OVER

THE FLEXIBILITY ISSUE, PARTICULARLY FROM THE HEAVILY POPULATED STATES, AND WE SUPPORT MORE FLEXIBILITY BECAUSE A NATIONAL PROGRAM CAN RESPOND TO THAT CONCERN IN A WAY WHICH IS NOT ADVERSE TO RURAL STATES.

4. MOTOR FUEL TAXES SHOULD NOT BE RAISED FOR DEFICIT REDUCTION PURPOSES. IMPOSING HIGHWAY USER TAXES FOR DEFICIT REDUCTION WOULD DISCRIMINATE AGAINST THE CITIZENS IN RURAL STATES, WHO USE MORE FUEL PER CAPITA THAN THE NATIONAL AVERAGE. SUCH A TAX WOULD ALSO MAKE IT MORE DIFFICULT FOR STATE GOVERNMENTS TO RAISE THEIR OWN HIGHWAY USER TAXES TO MEET HIGHWAY NEEDS.

5. MUCH OF THE BASIC STRUCTURE OF TODAY'S FEDERAL-AID HIGHWAY PROGRAM SHOULD BE MAINTAINED BUT

STREAMLINED. OUR PROPOSAL REDUCES THE NUMBER OF FUNDING CATEGORIES FROM OVER 30 TO 13. UNDER THE DRAFT PROPOSAL MAJOR CATEGORIES WOULD BE CONTINUED FOR INTERSTATE 4R, PRIMARY, SECONDARY, URBAN, BRIDGE, SAFETY CONSTRUCTION (INCLUDING RAILROAD CROSSINGS), AND FEDERAL LANDS. THE BASIC EXISTING ALLOCATION FORMULAS WOULD BE MAINTAINED FOR DISTRIBUTING THE FUNDS THROUGH THESE PROGRAMS.

6. WITHIN THE PROGRAMS TO BE CONTINUED, INCREASED EMPHASIS WOULD BE GIVEN TO THE INTERSTATE 4R, AND SAFETY PROGRAMS. THIS REFLECTS THE RELATIVE IMPORTANCE TO THE NATION OF PRESERVING THE INTERSTATE SYSTEM AND REAFFIRMS THAT SAFETY IS A PRIME OBJECTIVE OF ANY TRANSPORTATION PROGRAM.

7. WITH THE EXCEPTION OF INTERSTATE COMPLETION, WHERE THE MATCHING RATIO WOULD REMAIN AT 90-10, THE FEDERAL/STATE MATCHING RATIOS FOR THE REMAINING PROGRAMS SHOULD BE NO LESS THAN 85-15. IN ADDITION, THE PUBLIC LANDS ADJUSTMENT PROVISION SHOULD BE MAINTAINED TO ACCOMMODATE STATES WITH A HIGH PROPORTION OF THEIR LAND AREAS OWNED BY THE FEDERAL GOVERNMENT. ON THIS POINT, WE EMPHASIZE THAT RURAL STATES, WITH LOW POPULATIONS AND HIGH PER CAPITA USER TAX PAYMENTS, HAVE THE LEAST ABILITY TO RAISE FUNDS TO MEET A HIGHER MATCH RATIO.

WE THINK THIS REPRESENTS AN APPROACH TO FUTURE HIGHWAY LEGISLATION WHICH WILL SERVE OUR NATION WELL, AND WILL ALLOW ALL STATES TO SHARE EQUITABLY IN THE GROWTH OF THE PROGRAM.

CONCLUSION

THE FUTURE CHALLENGE IS TO MAINTAIN AND BUILD UPON OUR PAST ACHIEVEMENTS BY CONTINUING TO ENSURE A SAFE EFFICIENT TRANSPORTATION SYSTEM PROMOTING ECONOMIC GROWTH. THIS CAN BE ACCOMPLISHED BY BUILDING AND EXPANDING ON THE STRENGTHS OF THE EXISTING HIGHWAY PROGRAM.

IN SUMMARY, THE NATION WILL BE WELL SERVED BY A CONTINUING FEDERAL INVESTMENT IN HIGHWAYS IN RURAL AREAS. THOSE HIGHWAYS ARE VITAL TO MEETING NATIONAL NEEDS, INCLUDING THE NEEDS IN METROPOLITAN AREAS. WE CANNOT AFFORD TO SOLVE A PROBLEM IN ONE AREA AT THE EXPENSE OF ANOTHER AREA.

BUDGET CONCERNS ASIDE, IT IS IN THE NATIONAL INTEREST TO INCREASE FEDERAL HIGHWAY FUNDING TO PRESERVE THE ENTIRE FEDERAL-AID SYSTEM. THIS SYSTEM SERVES BOTH THE NEEDS OF CITIZEN MOBILITY AND MOVEMENT OF NATIONALLY SIGNIFICANT COMMODITIES AND RESOURCES.

MR. CHAIRMAN, WE THANK YOU FOR THE OPPORTUNITY TO TESTIFY TODAY. THAT CONCLUDES MY STATEMENT AND I WOULD BE HAPPY TO RESPOND TO ANY QUESTIONS.

ATTACHMENT

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TESTIMONY OF DANIEL G. CHADWICK

EXECUTIVE DIRECTOR, IDAHO ASSOCIATION OF COUNTIES

BOISE, IDAHO

AUGUST 20, 1990

SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE

UNITED STATES SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

HONORABLE STEVE SYMMS, UNITED STATES SENATOR

The future of Idaho's economic prosperity is at risk because of the state of its secondary road system including bridges. This system is essential to preserve the agriculture, mining, timber and recreation industries in the state of Idaho.

The recent local highway needs assessment study by the Local Highway Needs Assessment Council (LHNAC) conducted to identify the state and condition of Idaho's roads identified substantial critical needs for all of Idaho's road systems. Overall, the monetary needs for Idaho's system approaches $7.3 billion dollars. Without assistance, Idaho will be unable to meet these needs for the 1990's and into the 21st century.

There are more than 14,183 miles of highways and roads in the county system, with only 33 percent of these roads paved. These roads are critical to support the farm to market economy, logging, mining and access to recreational areas. The cost to restore and maintain the structural integrity of the roads and bridges under the county system is estimated at $2.15 billion and includes that part of the system identified in the LHNAC study as those requiring the "most urgent need". An additional $1.3 billion is necessary to address those roads and bridges under the "structural integrity needs" category.

Because of the light traffic volume on county roads, the study concluded that these roads generated very little highway user revenues to assist in restoring and maintaining these roads. Yet, these roads are critical to the vibrancy of Idaho's economy.

More than twenty seven percent (27%) of all bridges in Idaho have significant structural or functional difficulties which require substantial sums of money to repair and upgrade. The needs for these costs confront not only counties, but cities and highway districts as well.

The National Association of Counties statement on the "Future of the Surface Transportation Program" clearly identifies the importance of roads and bridges to the future of economic prosperity in this country. A copy of the statement is attached as Exhibit "1" to this testimony; and most of the statement applies to the conditions existing in the state of Idaho.

Poorly maintained roads and bridges add costs to agricultural, timber and mining products. These same roads make it more difficult to encourage new economic activity and place severe limitations on the recreational industry. It also must be understood that the current state of roads and bridges in this country, and specifically in Idaho, represents a danger to public safety which could result in millions being paid in unnecessary liability claims by state and local government.

It is clear from the many studies and simple observation that counties and other local governments are confronted with substantial critical needs for their transportation systems. The only means of achieving a system which meets local transportation needs and which encourages rather than discourages economic activity and development and protects the public is a recommitment

of priorities to include transportation at the local level as the primary focus of federal highway trust fund dollars.

Under no circumstances should these dollars be used as a means of reducing the federal deficit. Rather, as Senator Symms proposes, there should be a spend down of the fund with the priority to assist local government meet its transportation needs and to maintain the economic vibrancy of its citizens. The secondary road system must be a priority. It is this system which provides the link between the agricultural, logging, mining and recreational industries and the interstate system. It is this system which makes available the goods and services demanded by the people of Idaho and the rest of the country.

Administration of the funds, including projects, design and the like should be left to state and local government. It is not possible for the federal government to understand or even adopt a nationwide standard when there are so many variables in terms of industry, markets and geography. Such artificially imposed standards create waste of finite resources.

Obviously, the federal government cannot be expected to foot the bill for all of the costs of the system. Even now, states, counties and other local governments match federal dollars three for one. The states, counties and local governments are willing to continue to share the burden of meeting the demands of the transportation program.

Most important, however, local government officials must be

made equal partners in the decision making process. They must be consulted and their views considered in undertaking projects which have such substantial impact on local communities.

Idaho counties stand ready and willing to shoulder their share of the burden in providing for a reliable and safe transportation system. However, without assistance and flexibility in means of finance and project control, it will difficult if next to impossible for counties to meet the needs and demands of its citizens for transportation into Idaho's second century. Therefore, the Idaho Association of Counties strongly supports the re-authorization of the Federal Highway Trust Fund with priorities redesignated to the secondary road system.

Respectfully Submitted this 20th day of August, 1990.

Daniel G. Chadwick

DANIEL G. CHADWICK
EXECUTIVE DIRECTOR

EXHIBIT "1"

Statement of the National Association of Counties

on the

Future of the Surface Transportation Program

Approved by Board of Directors

March 18, 1990

This statement was originally prepared by a Post-Interstate Task Force appointed by the chair of NACo's Transportation Steering Committee. It was approved as an interim statement by the Steering Committee in July, 1988. In December, 1989 the leadership of the Steering Committee met to put this statement into final form and to draft the accompanying resolution. Both were presented to the Steering Committee at the Legislative Conference for consideration and were approved on March 17, 1990. The NACo Board of Directors gave their approval on March 18, 1990.

The National Association of Counties (NACo) views the process of developing a comprehensive national program for the future of our transportation system as an important task. Secretary of Transportation Skinner recently issued the National Transportation Policy which we expect will create a national debate on the issue. Counties own and maintain 1.7 million miles of roads or 43 percent of the total mileage in the United States; 208,000 bridges over 20 feet or 51 per cent of the bridges on the National Bridge Inventory; and own or contribute funding to 25 percent of the public transit systems. The role of the federal government in this post-Interstate era will be a crucial one as those decisions made at the federal level will most certainly impact the mobility and funding questions county officials must address at the local level. While the focus will be on surface transportation because of the reauthorization process in the highway and mass transit program, aviation and railroad issues are important to counties and are addressed in other NACo documents.

Basic Premise

The 43,000 mile Interstate system will be completed in 1991. County officials have supported the construction and completion of this system which has been done almost entirely with federal funds. They supported the Interstate program and investment in the primary system because it was necessary to link the various regions of the country. However, it is now time to change the emphasis of the surface transportation program and to treat local governments as equal partners. While NACo supports continued involvement by the federal government in funding some rehabilitation of the Interstate system, it is now time to allocate a greater portion of there sources of the federal highway trust fund to other systems.

Economic development needs to be a key factor in making transportation decisions in the future. The national and regional implications of such actions must be studied closely. Rather than simply measuring traffic or ridership, we must make decisions based on strengthening our economy and making our goods and services competitive on an international as well as national level. The competitiveness of American goods is undermined by not investing in highways, bridge and public transit--bad roads add costs to American products. The choke points of our economy are in our

suburban and rural areas. In suburbia, congestion adds billions of wasted dollars to the cost of moving goods, services, and people. In our rural areas under investment in highways and accelerated deterioration of these same roads make it more expensive to move commodities and discourages new economic activity. Consideration also needs to be given to the implications of transportation related decisions that may result in the development of one area at the expense of another.

Urban/Suburban Congestion

The movement of people and goods and services in urban and suburban areas is reaching a crisis stage. While it is a problem having national implications, congestion is a local concern whether it occurs on county or state roads or on an Interstate highway servicing an urban or suburban area. The Interstates, though constructed to link the nation with a good highway system, have become part of the local road network in many areas with 70 per cent of Interstate traffic now being local in nature. To the highway user it makes little difference who has responsibility for a highway system if that system is congested and not serving the needs of the local public and business community. A revised surface transportation program must consider the new development patterns in suburban counties and the implications of that growth on the ability of citizens to move around with as few constraints as reasonably possible. Such a program must also address the needs of the older urbanized areas which have suffered population decline and may have less ability to pay for improved roads and transit services, while at the same time having areas within them which are experiencing revitalization and growth and thereby generating severe traffic congestion. Both highways and transit need to be considered as solutions.

There is no question that land use planning must be given a high priority as we devise new solutions and develop new programs to solve our growing congestion problem. We must also acknowledge that congestion contributes to a decline in air quality due to auto emissions and the deterioration of road surfaces and that the protection of our environment is an issue which is linked to future surface transportation policies.

Rural Access

Good secondary roads and bridges in rural areas that provide access to Interstates and primary roads are key factors to the revitalization of America's rural counties and to the agricultural, logging, mining and tourism industries. However, our nation's rural secondary highways have for the last thirty years received the least attention from the federal government of any system and their condition reflects this low investment level. Additionally, a substantial number of rural bridges are considered deficient and may represent a danger to public safety. This is ironic for it was the rural farm-to-market system which was the initial reason for the federal government involvement in a national highway program.

While basic maintenance has and should continue to be the responsibility of county government, federal funding for construction and rehabilitation of highways and bridges must grow substantially. The design and capacity of many rural highways and bridges are based on traffic needs of the immediate post-World War II period. The number of trucks and other heavy equipment using these roads has been expanding and more important the weights of such vehicles has increased considerably. It is not uncommon to find trucks with a gross weight in excess of 100,000 pounds using rural roads. This increases the rate of deterioration and requires a substantially heavier investment in reconstruction to adequate standards. Railroad abandonment, which must be reversed, has moved goods off the railroads onto trucks. In 1947 there were 214,000 miles of rail roadway which then dropped to 196,000 by 1971 and to 140,000 in 1986.

A New Surface Transportation Program

The following is a list of categories which would be eligible for funding under the new highway and mass transit program.

4-R/Primary Program

--This program would provide federal funds to maintain and upgrade the Interstate and primary systems. However, emphasis should be placed on those sections of the Interstate and primary systems where expansion (extra lanes, for example) and rehabilitation will lead to addressing the congestion problem in urban and suburban areas.

Urban/Suburban Mobility Program

--Funding for the urban system program should be increased substantially and be directed at solving congestion and mobility problems particularly in the larger urban areas and high growth suburban areas. This program should be used to upgrade existing county highways and where appropriate, state highways, in order to relieve traffic on the Interstate system. This program could also be used for building new routes to carry increasing traffic. At the option of local government officials, these funds could be spent on public transit.

States would administer the program in consultation with local government and/or metropolitan planning agencies where appropriate for urbanized areas between 5,000-200,000, while the funds would be passed through to counties and other local governments in area above 200,000 population. NACo considers this pass through to be a key component of the future transportation program. Counties are in an excellent position to understand and undertake surface transportation projects aimed at addressing the mobility concerns of their residents. Larger counties have both the planning and engineering expertise to carry out these projects without direct state highway department involvement. In states where local government has little or no transportation responsibility, funds would be spent by the state with consultation required with local government officials on project selection.

Rural Access Program

--This program would be directed toward the upgrading, through the substantial increase in funding, of what is now known as the secondary road program. It is essential that rural roads be improved so that they can carry the much heavier loads of today's vehicles and so that they can serve as a link to the Interstate system and to various markets for the agricultural, logging, mining, manufacturing, and tourism industries. The high operating costs to these industries associated with poor roads and in turn the cost to the economy as a whole makes the condition of rural roads a national responsibility. Economic development in the future will be accelerated or restricted depending on how aggressively our nation upgrades the secondary road system.

This program could continue to be administered by the states with guarantees of strong county input in the allocation, planning, and project selection process. Another option would be for a consortium of rural counties to enter into an agreement which would allow them to receive funds directly from the federal government.

On roads assisted through this program, state design, environmental, and other regulatory standards would be applied. It is an inefficient use of federal funds to apply federal standards to rural roads.

Small bus and van transit systems are being used increasingly in rural areas, especially by special need groups like senior citizens. Such programs should also be maintained and expanded.

Bridge Program

--The highway bridge replacement and rehabilitation program would remain a separate program. The large backlog of substandard bridges remains at a critical level and a large capital investment is required to rehabilitate and replace these bridges. Counties are responsible for a substantial percentage of both the nations' bridges and those which are classified as either structurally deficient or functionally obsolete. It is important that the percentage of the program dedicated to off-system bridges be increased.

Public Transit

--It is the intent of NACo that the transit program retain its separate identity. Transit will not succeed without a significantly increased federal subsidy, in some cases to initiate a local program and in some cases to operate it. Like the automobile owner, the transit user is entitled to a reasonable subsidy.

More flexibility should be given to recipients of federal transit funds in regard to how they can spend such funds---we should not force systems to use capital money to make investments they do not need when they would prefer to use federal money for operating expenses such as maintenance. We would also like to see transit with a dedicated source of funding such as the federal gas tax. The battles of the last seven years over the level of general fund financing have distorted the funding decisions of that industry.

Financing a New Surface Transportation Program

Financing the new highway and transit program is central to its formulation. NACo supports the following guidelines or principles.

User fees

--The federal surface transportation program should be user fee based to the extent possible. The source of these user fees should continue to be the gasoline and diesel fuel taxes and the various other vehicle related taxes. All funds generated by these user fees should be dedicated to transportation and not used for deficit reduction. There should not be a turn back to the states of any of the federal gas tax authority.

Increased investment

--All levels of government should increase funding for surface transportation programs with an emphasis on dedicated sources of revenue.

Trust funds

--There is a substantial balance in the trust funds---this balance should be spent down and in the future all trust fund revenues and accrued interest should be allocated in a manner that reflects the spirit and original Congressional intent that accompanied the establishment of the trust funds. The spend down for the highway and transit trust funds should proceed along the following schedule:

HIGHWAY ACCOUNT	TRANSIT ACCOUNT
FY 1991 - $2.7 billion	FY 1991 - $2.5 billion
FY 1992 - $2.5 billion	FY 1992 - $2.5 billion
FY 1993 - $2.5 billion	FY 1993 - $2.0 billion
FY 1994 - $3.0 billion	

Highway program

--In the new highway program, with the exception of Interstate construction which is eliminated, the baseline for all programs should be no less than currently authorized under the existing highway program:

Bridge - $1.6 billion
Urban/ Suburban Mobility - $750 million
Rural Access - $650 million
Interstate 4-R/Primary - $5.1 billion

The $3.0 billion presently being used for Interstate construction should be reallocated. No less than 50% or $1.5 billion should be allocated to the urban/suburban mobility, rural access, and bridge programs. The new Interstate 4-R/primary program would receive the remaining funds. This process will ensure additional federal funds for local governments.

Any new funds which become available to the highway program, i.e. funds from a trust fund spend down or from new gas tax authority, must be allocated on the following formula: 1/3 to the Interstate 4-R/primary program and 2/3 to the urban/suburban mobility, rural access, and bridge programs.

Public transit

--The national public transit program should no longer be funded from the federal general fund. The current one cent from the federal motor vehicle fuel tax now allocated to the Transit Account in the Highway Trust Fund should be augmented, without adversely affecting current and future highway funds, by a share of a new motor vehicle fuel tax to: 1) replace the current federal general fund assistance, and 2) add funding to assist local governments in the completion, upgrade and operation of our national public transit systems.

Match requirements

--Local governments cannot be expected to increase their commitment to the federal program without a commensurate increase in the federal commitment. Local governments already match every federal dollar with three local tax dollars. It must be also recognized that financial resources of many county governments are limited by both absence of a tax base and by state imposed limits on their ability to raise and/or impose additional taxes.

Bond financing

--Tax exempt bond funding should be available for highway and mass transit projects with a minimum number of restrictions.

Planning/Decisionmaking Process

County support for continuing and increased federal funding in surface transportation depends on a strengthening of the federal-state-local relationship. This is true particularly for the federal-aid highway program which has not had adequate local government input. The vast amount of travel in this country is local in nature and the concerns which NACo believe need to be addressed in the post-Interstate era, i.e., congestion, rural access, and economic development, require solutions which must involve local governments.

The states have traditionally been the focal point for most federal highway funds. It can be stated fairly that fifty different systems of funding and planning exist in terms of what approach states use in the allocation of federal highway funds. New legislation should include local officials as equal partners with state officials in the decisionmaking process. The future federal transportation program should not impose a uniform decisionmaking process on all states. It should, however, recognize the degree to which county road needs exist and that these needs must be addressed in an equitable manner. A process must be created by any new surface transportation legislation to ensure that local government officials are consulted and views considered fully as funding and project selection priorities are established within a state.

Other Issues

Mandates, safety and research and development/training are other subjects which must seriously be considered in the development of a new surface transportation program.

Mandates

--While certain federal requirements may be appropriate, others simply impose undue burdens on local governments and waste finite resources. There needs to be a differentiation made in imposing design standards at least on lower volume roads, as well as a review of those non-transportation goals which are included in federal surface transportation programs. Federal requirements attached to highway and transit funding should be reviewed and reduced.

Safety

--This concern needs to be factored into a future highway program. Clearly, deteriorating roads, deficient bridges, poor roadway design, and alcohol abuse create a safety problem on the nation's highway system. Another aspect of safety which should be addressed is to what extent the federal government will require local governments to allow large vehicles access to all roads.

Research and Development/Training

--There is an appropriate role for the federal government in this area. The federal government needs to be involved in developing new technologies for both highways and mass transit systems. With no manufacturers of rail cars left in the U.S. and the emergence of new transit technology such as magnetic levitation and linear propulsion systems, it is incumbent on the federal government to take a leading role in research and development in this field. In addition, the federal government should take a leadership role in providing up to date information on new technologies, management approaches, etc. to local government. The T-2 program is a good prototype for such a program.

TRANSPORTATION STEERING COMMITTEE RESOLUTION ON THE FUTURE OF THE FEDERAL SURFACE TRANSPORTATION PROGRAM

WHEREAS, the federal surface transportation program will expire on September 30, 1991; and

WHEREAS, the Interstate highway system is scheduled to be completed in 1991 thereby freeing up a substantial amount of funds; and

WHEREAS, counties own and maintain 1.7 million miles of roads or 43 percent of the total roads in the United States and 208,000 bridges or 51 percent of the bridges in the United States; and

WHEREAS, counties own or contribute to the funding of 25 percent of the public transit systems; and

WHEREAS, the movement of people, goods and services in urban, suburban and rural areas is vital to the nation's economy and its international competitiveness; and

WHEREAS, traffic congestion in suburban and urban areas is reaching a crisis stage; and

WHEREAS, smooth flowing, well integrated highways and expanded public transit are the best methods for meeting clean air standards; and

WHEREAS, county government will be playing a greatly expanded role in transportation in suburban and urban areas over the next several decades; and

WHEREAS, the nation's system of rural roads and bridges, a key factor to the economic vitality of rural areas, is deteriorating at an accelerated rate due to their age, the increasing weights of trucks and farm equipment, and expanding use due to railroad abandonment:

THEREFORE BE IT RESOLVED that the new Surface Transportation Act contain substantially increased funding for programs which provide assistance to county governments that build, own, operate, maintain, fund, or otherwise have responsibilities for highways, bridges and transit systems and a greater role in the decision making/planning function in regard to these funds;

BE IT FURTHER RESOLVED that the National Association of Counties endorses the following provisions for inclusion in the new legislation:

1. The highway program should be user fee based.
2. The federal subsidy for public transit should come from the transportation fuel tax.
3. The balance in the trust funds should be spent down quickly.
4. The federal-state-local relationship needs to be strengthened. Counties and cities should be considered as equal partners in the new surface transportation program. Many of the problems which need to be addressed in the future are local in nature. Therefore, a process must be established which ensures that county governments are consulted and treated as equal partners in the planning, funding allocation, and other decision making processes.
5. A program continued to provide federal funds to maintain and upgrade the Interstate and primary systems.
6. A suburban mobility program should be created, replacing the FAUS program, which would be directed at solving congestion and mobility problems in urban and high growth suburban areas. These funds should be passed through to areas in excess of 200,000 population and, at option of local officials, could be spent on mass transit.
7. A rural access program be created which would fund the secondary road system (FAS) at a substantially higher level.
8. The bridge program (HBRRP) retain its separate identity with greater funding and a higher percentage of funds dedicated to off-system bridges.
9. The mass transit program would retain its separate identity, with a dedicated source of revenue.
10. Funding for mass transit should be increased and more flexibility should be given to the recipients of transit funding as to whether funds are spent for operating or capital expenses
11. The funding baseline for all programs, except Interstate construction (which is eliminated) should be no less than currently authorized under the existing highway program.
12. The $3 billion presently going to the Interstate construction program should be reallocated with no less than 50% to the urban/suburban mobility, rural access, and bridge programs and the remainder to the Interstate 4R/primary program.
13. Any new funds for the highway program, whether from a trust fund spend down or new gasoline tax authority, must be allocated 1/3 to the Interstate 4R/primary and 2/3 to urban/suburban mobility, rural access, and bridge programs.

14. Federal mandates attached to highway and transit funding should be reviewed. Those which impose undue burdens on county government and waste finite resources should be eliminated.
15. Safety concerns need to be factored into a future surface transportation program.
16. The federal government should take a more aggressive role in research and development/training.

Adopted by the Transportation Steering Committee
(unanimous)
March 17, 1990

Adopted by the NACo Board of Directors
March 18, 1990

Reaffirmed by the Transportation Steering Committee
(unanimous)
July 14, 1990

STATEMENT OF DONNA POWAUKEE

Testimony to the Subcommittee on Water Resources, Transportation and Infrastructure, of the Senate Environment and Public Works Committee, August 20, 1990, Boise, Idaho

Honorable Chairman Burdick and Members of the Subcommittee on Water Resources, Transportation and Infrastructure, I thank you for the invitation to present this testimony on behalf of my Tribe relative to our Tribal Employment Rights Office (TERO) as it relates to federal aid highway projects. My name is Donna Powaukee, Director for the Employment and Training Department, including the TERO, for the Nez Perce Tribe. I have held this position since 1979. My testimony addresses the vital importance of employment and subcontracting opportunities for Indian citizens. The economic impact of employment and business access, affects not only the worker and the Tribe, but also the entire local community in which we live.

One segment of the history of the Nez Perce Tribe and the creation of the Nez Perce Reservation is relevant to the economic situation of the Tribe.

The Nez Perce Tribe originally occupied a vast territory that included north-central Idaho, southeastern Washington and northeastern Oregon. Estimates place the original lands of the Nez Perce Tribe at 13 million acres. Besides the areas that were exclusively used and occupied, Nez Perce people extended their hunting, fishing and gathering activities down the Columbia River, into what is now Montana, and other directions far from the home territory.

By the Treaty of June 11, 1855, 12 Stat. 957, the Tribe ceded to the United States some 5.5 million acres of that territory and reserved to itself as a homeland, a reservation consisting of some 7.5 million acres. Eight short years later, the United States sought to negotiate another treaty with the Nez Perce that would have the effect of reducing the reservation in size to 750,000 acres in order to legitimize the gold mining activities that began to occur within the original reservation boundaries. (Treaty of June 9, 1863, 14 Stat. 647.) Although it took considerable efforts by the United States and four years before the Tribe would agree to it, it became final and substantially reduced the land base of the Tribe. In 1868, yet another treaty (15 Stat. 693) provided for the allotment of the reservation in which land was allocated to individual tribal members as part of the federal policy of turning Indian people from traditional vocations to purely agricultural ones. The effect of the allottment process was the loss of the reservation to tribal ownership, the transfer of some 180,657 acres into individual Indian ownership, some 549,559 acres being taken by the United States that were ultimately open to settlement by non-

Indians contrary to provisions of earlier treaties, and some of the land was left in tribal ownership.

At a time when established federal Indian policy urges self determination and economic development (See, e.g., 25 USC S2701(4), it is ironic to look back at our history and see that past Congressional action and federal policies destroyed the economic base of the Tribe that would have resulted in those very goals being met throughout history since the creation of the reservation. The irony is especially acute when one examines the absence of assistance provided to Indian tribes in reestablishing a land base lost to this history and the frequent indications of affirmative measures to thwart such reestablishment. Coupled with the fact that Indian tribes are the only government within this country who are, as a matter of federal policy (See, e.g., 25 USC S2701(4)), also urged to become self-sufficient when the land base has been decimated and there is no viable tax base or taxing authority provides the background against which tribal economic development efforts proceed. Today, the total acreage owned by the Nez Perce is only 85,248 acres, or approximately 12% of the Reservation. Despite that background, many of our efforts do proceed successfully.

The Nez Perce Tribal Employment Rights ordinance, NP79-165, was passed into law by the Nez Perce Tribal Executive Committee in 1979. The TERO regulates employment on the reservation by requiring employers to utilize Indian preference in the hiring, training, promotion, and lay-off of workers. In 1979, the unemployment rate of Indians living on the Nez Perce Reservation was a consistent 70%. The Nez Perce Tribal Executive Committee then staffed the Tribal Employment Rights Office with a director and compliance officer, whose responsibility it is to monitor employers for compliance with the law. In 1987, a law requiring Indian preference in contracting and subcontracting was also passed with enforcement responsibilities placed with the TERO staff. The purpose behind the TERO laws were to address the extreme unemployment rate of Indians living on the Nez Perce Reservation and to encourage business development of individual Indians. Indian businesses at that time were almost non-existent.

The Nez Perce Tribal Executive Committee directed the TERO staff to proceed with vigorous enforcement of both laws but also to put forth an intense public relations effort with employers and contractors to give assurances that our office would conduct business in a reasonable, effective and professional manner. The fact that the numbers of contractors bidding reservation projects remains substantially the same, and many contractors continue to bid every job is an indication that we have successfully and responsibly carried out our enforcement responsibilities as well as responsibilities to employers and contractors.

Another reason for the effectiveness of the TERO was the support and supportive legal positions of the Equal Employment Opportunity Commission and the Office of Federal Contract Compliance. The two agencies provided training and technical assistance on employment discrimination issues as well as legal positions which supported the Tribe's sovereign right to regulate employment practices including the imposition of Indian preference regulations.

In 1987 another federal agency, the Federal Highway Administrative took a position that state law, regulations or policy may permit Indian employment preference on Indian reservations. The TERO had already been enforcing regulations on Federal Aid highway projects on the reservation with excellent cooperation and coordination with the State of Idaho, Department of Transportation. The position does lend support to the tribal law and is helpful in that the tribe, the state and the federal position are in agreement so that contractors are comfortable that none of the participating agencies are in conflict over any aspect of the TERO requirements.

There are currently five federal aid highway projects in progress on the Nez Perce Reservation. Two have been in progress for some time and three have just begun. From the all projects, there is presently a total of 126 jobs. Of these, Indians are employed in 34 positions, non-Indians in 90. Of the two jobs in progress, a total of $241,730.26 in wages has been earned by workers to date, $97,375.19 by Indian workers and $144,355.07 by non-Indian workers. Of the total number of workers on all projects, there are 34 workers with residence out of the state of Idaho. The average wage earned by Indian workers on federal aid highway projects is $15.95/hour. Retention rates for Indian workers is above 95%.

Indian and/or tribal subcontractors are participating in two subcontracts on the projects. Owner/operator agreements with Indian small business occurs on almost every project, more and more frequently as a business becomes established and develops a track record.

We wish to emphasize here that successful Indian employment and business benefit not only the worker, his or her family, and the Nez Perce Tribe, but the entire valley business community. It is estimated that Indian workers spend 98% of their incomes in the Lewiston-Clarkston area and contribute substantially to the health of the valley economy when employment is high on the reservation. Economists point out that those dollars will turn over 6-7 times in the local area. Conversely, for those out-of-state workers, there is minimal local economic benefit.

To the individual Indian worker, in addition to the obvious economic benefits, important social benefits are derived from having employment with an adequate wage. Alcohol and drug abuse

decrease, family stability increases, self-esteem increases, school attendance and performance stabilize and improve. Again, not only the Tribe, but the entire community benefit from these social impacts.

Federal aid highway projects have been one avenue of addressing the very serious issue of high reservation unemployment, and lack of business development. The Nez Perce Tribe supports the reauthorization of the Federal-aid highway program because of the benefits in these areas, but also because we support improved highways in Idaho, and contribute, as individual tribal members, an estimated $600,000 per year through gasoline taxes.

Through overall TERO efforts the last eleven years, Indian unemployment has improved by 50% during seasonal (including construction) work, bringing the rate to a low of 20% in the peak summer months. A serious problem still exists in the off-season winter months when unemployment figures may still reach as high as 65%. In June of this year when the seasonally adjusted unemployment rate for Lewiston-Clarkston was 4.4%, the unemployment rate for Indians residing on and near the Nez Perce Reservation was 40%.

Progess has also been made with Federal Aid contractors so that we are no longer dealing with stereotyped impressions of Indian workers. They are beginning to understand, as we already know, that Indian workers are like any other worker, looking for a way to care for their families with dignity and looking for an opportunity to show that they are willing to work hard for a day's pay. The responsibility and quality of our workers is demonstrated through the fact that some local employers now have Nez Perce Indians on their regular crews who travel off reservation and sometimes out of state with their companies. The sad fact remains, however, that generally, once the reservation boundary is crossed, the Indian employment decreases dramatically. I have attached a letter from a contractor who worked on the Nez Perce Reservation in 1988 to one of my staff and who graciously gave his permission to use the letter for this testimony.

I thank you for this opportunity to share with you information regarding our TERO and the Nez Perce Tribe.

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(208) 765-2000

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rec'd kt

Ms. Kay Bohnee
Nez Perce Tribal Employment & Training
PO Box 365
Lapawai, Idaho 83540

Dear Kay

After we completed the project at Craigmont, we reviewed our crews to evaluate the individuals on those crews. We had run those six days with 80 positions. It took 109 different people to fill those positions due to workers quitting. Among that number were also a few we let go due to poor work performance.

My purpose in writing is to note that only ONE of the Nez Perce Tribe members who were on the job quit. None were laid off due to poor performance; in fact, for the most part, the natives on our crews were the outstanding producers. This became obvious to us early in the project which explains why we called you exclusivly when we needed more help later in the week.

In this day and age where the general work force seems to be rapidly deteriorating, it is a pleasant suprise to find a "pocket" of good people worthy of repire. It is easy to become cynical and negative about the work force in the US and so to find a group like these men helps restore one's faith. The Tribal members appeared proud of their work and themselves as they rightfully should. A far cry from so many workers we see who try to get by with mediocre performance and who appear to have little feeling of self-worth.

Thank you Kay for your help and our sincerest thanks to those men from the Tribe who helped us out.

Sincerely

Ford S. Dunton

Skip SMYSER
CONGRESS

P.O. Box 1221
Boise, Idaho 83701
Telephone (208) 343-9330
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September 5, 1990

Idaho First Congressional District candidate Skip Smyser's testimony before the Subcommittee on Water Resources, Transportation, and Infrastructure, of the Senate Environment and Public Works Committee on August 20, 1990 in Boise, Idaho.

Thank you Senator Symms for allowing me the opportunity to testify before you and the Senate Committee today. As you are aware, for the last four years I have Chaired the State Senate Transportation Committee here in Idaho. During my tenure, the highway needs have been paramount on the Committee agenda. The requirements of Highway 95 in particular are something which members of the Committee are very concerned. We have worked very hard to turn the attention of the legislature toward Idaho's roads and bridges.

We have appropriated 15.5 million dollars of state funds to begin to meet the road improvement needs of the state of Idaho. It is therefore a major priority for Idaho, and it must become a priority for the federal government, to continue the development of Highway 95. Highway 95 is the major link between the northern and southern regions of this state. When we begin to look at the free-trade agreement between the governments of the U.S., Canada and Mexico, then we discover the importance of a north-south corridor to tie these countries together for the mutual benefit of all concerned. It is clear that Highway 95 is needed not only to tie Idahoans together, it is essential to realize the full benefits of free-trade between the three countries.

Bonners Ferry in the north is commonly referred to as the gateway to the state of Idaho. Except for some smaller sections in Canyon County, it is one of the worst sections of public highway in the state Idaho. We need to concentrate on major improvements to both those stretches of Highway 95. Idahoans should be concerned about the re-authorization of the Surface Transportation Act which will occur in 1991. We also have an inner committee in the legislature working on what has become a 7 billion dollar problem with our roads and bridges in Idaho.

We have talked about raising the federal gas tax in order to reduce the national deficit, but those funds have traditionally been used to build and improve state roadway systems. I appeal to you, Senator Symms, to continue to be an advocate for those dollars to be directed to their intended purpose. I also support wholeheartedly your attempts to release money from the Trust Fund to get those tied up dollars back into the states. It is very

Paid Smyser for Congress

hard to raise taxes when that large amount of money is available and has been paid by the hardworking people of the State of Idaho. I understand that Idaho has been withheld 36 million dollars from use on state highways. That money would go a long way in improving Highway 95.

One final thing, I ask for more flexibility with the state in the design of roads where federal money is involved. The additional federal rules and regulations run up costs and do not improve the quality of the pavement laid on the Highway. One mile of highway using state funds costs $120,000, while the same project using federal funds costs about $160,000. We need to be concerned with getting the best job done for the dollar in this and other projects. We don't need a broad-base standard for every state because Idaho is certainly different than Rhode Island. We need to let Idaho build the roads without the additional costs due to federal standards that are not necessarily appropriate to the State of Idaho.

I'd like to thank you and the entire Transportation Department. I am very appreciative to you and your staff for the money you have helped secure for the State of Idaho. I hope we will better spend those dollars and more efficiently. I hope we can get these tremendous road problems under control in an efficient manner to best serve the taxpayers of Idaho and this nation.

FEDERAL HIGHWAY POLICY AND RURAL AMERICA: A RAILROAD PERSPECTIVE

Submitted to:

U.S. Senate Environment and Public Works Committee
SubCommittee on Water Resources,
Transportation and Infrastructure

August 20, 1990 Hearing, on Rural Issues
and the Federal Aid Highway Program
Boise, Idaho

Submitted by:

Union Pacific Railroad Company

Introduction

We at Union Pacific Railroad firmly believe that a sensible, comprehensive transportation policy based on free market principles will benefit our nation's transportation system, America's shippers, and our country's rail industry. We are keenly aware that changes in public policy at the Federal, State, and local levels can have a profound impact on Union Pacific and the rest of the freight transportation industry, and will certainly have an impact on Union Pacific's presence here in Idaho.

Highway policy does not operate in a vacuum. Changes in federal highway policy should be made in a framework that recognizes the impact of those changes in the "real world" -- not only on highway users, but on railroads and other industries, on our economy, and on our environment.

The Need For An Efficient Transportation System

America's manufacturers, farmers, and producers compete today in a global market. With the monumental changes in Eastern Europe, it's clear that the trend towards an increasingly international market will continue. To compete, American companies need to have the most efficient and effective transportation system possible to move our goods cheaply from place to place.

The best way to obtain an efficient transportation system is by letting our free market work. Prices should be set to cover true costs, and shippers could then select the firm that best meets their needs for price and service -- it's simple free-market economics. The economic problems ravaging the Soviet Union, Eastern Europe, and other centrally-planned economies should make it painfully obvious that the free market is the most effective way to obtain an efficient economy.

Today, American public policy distorts the free marketplace for transportation by providing subsidies for long-haul trucks and barges, while at the same time imposing unwarranted penalties on rail transportation. In this way, government policy encourages shippers to use a less efficient mode of transportation at the expense of railroads, our economy, and our environment.

When the "marketplace" for America's producers was primarily regional or national in nature, such policies may have been simply a matter of favoring one transportation mode over another. Now, however, we face competition in a global economy, and such market distortions make us less competitive in the world marketplace. We also face growing concerns about our environment, and we need to take a close look at how highway policy decisions can impact environmental qualify.

Of course, we aren't just talking about global issues. Federal transportation policy has a very real impact right here in Idaho. The huge subsidies provided to truckers and barge operators have allowed them to take freight away from railroads. When business declines too much on a branch line, revenue no longer covers the cost of maintaining our track and right-of-way and we face a decision: continue to operate at a substantial loss, or file for abandonment. We have had several controversial abandonments here in Idaho caused, in part, by the loss of freight to our subsidized competitors. Allowing bigger, heavier trucks on the highways would make the situation even worse.

There are sometimes alternatives, like lease or sale of low-density lines to low-cost shortline operators. Here in Idaho, we reached agreement to sell a group of lines around Boise to Intermountain Western Railroad over 18

months ago. We just got ICC permission to close the sale effective last week, nearly 14 months after we filed our application with the ICC. This transaction involves the standard rail merger-type labor protection of up to six years of salary for affected employees. But we emphasize that with many more marginal lines, such generous labor protection provisions would make the sale or lease uneconomical.

After a brief look at "The Big Picture," we will focus our comments on three issues important to rural highway policy: truck sizes and weights, rural transportation needs, and rail/highway grade crossings.

I. The Big Picture

It is no secret that federal highway policy, by undercharging heavy trucks for their use of our highways, has been providing massive subsidies to the trucking industry for decades. Currently, rail-competitive trucks (typically a tractor with a 48' trailer registered at 80,000 lb. gross weight) pay just 55% of their fair share of federal user fees for our federal highway program.[1/]

Unfortunately, our state governments have provided subsidies of the same magnitude to the trucking industry through state highway tax structures.[2/] Compounding the unfair allocation of user fees is the massive amount of general fund tax revenue used to build streets and

highways. Currently, just 60% of the cost of our nation's roads are covered by user fees; the rest is paid for largely by general tax dollars -- including taxes paid by railroads.[3/]

The combined federal and state highway user fee subsidy to our competitors in the trucking industry is the equivalent of about 8% of trucking industry revenues.

In other words, that federal and state subsidy allows the trucking industry to charge shippers an 8% discount off the price they would have to charge if trucks were paying their full fair share of highway costs.

Conversely, freight railroads do not receive a subsidy,[4/] but instead are penalized by federal law. Our competitors in the trucking industry do not face the expensive costs of Railroad Retirement; the Federal Employers Liability Act (FELA); the Railroad Unemployment Insurance Act; the Railway Labor Act with the current ability of labor unions to engage in secondary picketing; and the imposition of labor protection of up to six years pay in rail mergers, abandonments and line sales.

Combined, these federal penalties -- imposed on almost none but the rail industry -- raise our cost of doing business by at least 5%. When contrasted with the 8% subsidy given to the trucking industry and even higher subsidies to the barge industry,[5/] it is clear that the

transportation "playing field" is already tilted radically against railroads.

II. Truck Size And Weight

A few policy-makers and some of our good customers who ship products by both rail and truck have suggested that the current federal 80,000 lb. gross weight limit should be uncapped, allowing double-48' and triple-28' trucks to roam our nation's highways at up to 135,000 lbs.

Naturally, we in the rail industry strongly oppose the proposal. It could divert 14% of rail market share, -- some 90 billion ton-miles, and $3.7 billion in revenues.[6/] Rail industry profits would be cut in half.[7/] The rail industry's return-on-investment, already only half the return earned by the rest of American industry,[8/] would plummet.

The impact on the rail industry could be devastating: massive layoffs, declining service, increased abandonments, even the possible bankruptcy of large and small rail carriers.

The devastating impact on the rail industry should come as no surprise. But authorization of bigger, heavier trucks would have impacts beyond simply decimating our railroads.

Every billion ton-miles of freight diverted from railroads to trucks:

- Requires nearly 7 million additional gallons of diesel fuel;[9/]
- Results in additional air pollution, up to:
  5.3 million pounds of nitrogen oxides,
  1.7 million pounds of carbon monoxide,
  1 million pounds of particulate matter, and
  760,000 pounds of hydro-carbons.[10/]
- And each billion ton-miles diverted results in an additional 19 accidents.[11/]

Allowing bigger, heavier trucks would not only be bad environmental policy and bad energy policy, it would be bad highway policy. 28% of Federal-aid highway bridges are structurally deficient or functionally obsolete.[12/] Axle loads may be the key component of highway wear, but gross weight is a key component of wear and tear on bridges. Heavier trucks would magnify the bridge problem that is already nearing critical.

III. Rural Transportation Needs

Railroads are an important transportation link in rural America. The huge government subsidies provided to the trucking and barge industries have diverted massive amounts of traffic from the rail industry. Although every case is different, the loss of traffic to trucks and barges, especially on lighter density rural lines, is one primary cause of rail abandonments.

Allowing even bigger and heavier trucks -- and thus encouraging even more diversion of rail traffic -- is not a sound policy for rural America. Instead, larger trucks would simply lead to more rail abandonments.

There is a better answer. Major railroads have managed to preserve many light-density lines by selling them to a local shortline operator. Some of these new shortlines are union, while others are non-union, but nearly all have several things in common: work rules that allow employees to efficiently perform various tasks as needed, and a local focus that allows them to tailor their service to the needs of local shippers. Shortlines leverage those advantages to increase their local traffic and reduce costs.

Unfortunately, since the Pittsburgh & Lake Erie[13/] decision, railroads have been hamstrung in their attempts to preserve rail service through shortline sales. Requirements for prior negotiations over labor impacts and for up to six years of labor protection payments to affected employees -- benefits required in no other industry -- have greatly reduced the opportunity for such sales.

Not every line can be preserved, but with rational policies in place many lines could be saved that are now being abandoned.

IV. Grade Crossing Program

In the 1970's, Union Pacific Railroad initiated Operation Lifesaver here in Idaho in an effort to reduce highway crossing accidents through education. The program was a huge success, and has now spread nationwide.

Long ago Congress saw the need for federal assistance to states to upgrade crossings. The highway program was the logical vehicle, since crossing safety primarily benefits the motoring public. In addition to Operation Lifesaver and the federal grade crossing program, the rail industry and state and local governments have funneled massive amounts of resources into crossing signals, grade separations, education and other crossing safety strategies.

The results have been gratifying: from 1980 to 1987, grade crossing accidents fell by 40%.[14/]

We believe the current program should be continued, with some improvements. We believe Congress should <u>not</u> lump crossing safety funds into some sort of "block grant," because highway grade crossings often get low priority in some state highway departments. Rather, we think the progress made to date and the many remaining needs identified by the U.S. Department of Transportation justify a larger share of highway funding. Certainly, the crossing safety program should receive a fair share of any increase in highway spending.

We also suggest that states be allowed to use crossing safety funds for signal maintenance, which is not currently authorized. This would give states the flexibility to use the money to obtain the highest return, while still assuring that crossing safety is the ultimate use of the funds.

Finally, we would like to point to one program that we believe has merit. Researchers at the University of Tennessee suggested that replacing traditional railroad signal lights with traffic signals like those used on city streets could boost compliance by motorists while reducing costs.[15/] We think the idea has merit, and would like to test it here in conjunction with the State of Idaho. To do that, we may require a special exemption to allow federal grade crossing funds to be used for such signals.

That concludes our testimony. We would be delighted to provide further details on these or other important policy issues.

SOURCE NOTES

1/ Association of American Railroads, various studies and publications, based on typical rail-competitive trucks. The 1985 federal cost allocation study showed trucks over 75,000 lbs. gross weight paying 65% of federal user fee responsibility.

2/ A review of recent state cost-allocation studies in 16 states by the Association of American Railroads showed combination trucks paying from 30% of their cost responsibility (Nevada, 1984) to 97% (Maine, 1982), with an average of about 64% and a median of 60%.

3/ U.S. Department of Transportation, National Transportation Strategic Planning Study, March 1990, pp. 10-15.

4/ Policy-makers sometimes mistakenly attribute federal subsidies to Amtrak, which total about $600 million per year, as subsidies to the rail freight industry. Amtrak is a passenger railroad, and its agreements with freight railroads for operating rights are not dependent on this appropriation. In the past, selected railroads have received federal Local Rail Service Assistance program grants. Although these do not benefit the entire industry, the $7 million appropriated in FY 1990 equates to less than 0.3% of rail industry revenues.

5/ U.S. Army Corps of Engineers expenditures on construction, operation and maintenance on the commercial waterway system totalled $716 million in FY 1988, according to the U.S. Department of Transportation (National Transportation Strategic Planning Study, pp. 14-20), of which only 8% was covered by user fees. The barge industry's gross revenues would have to be about 25% higher to cover the costs of these government subsidies.

6/ John Riley, former Federal Railroad Administrator, "Start Now to Stop Big Rigs," Progressive Railroading.

7/ Association of American Railroads, "Analysis of Truck Size and Weight Increases," June 30, 1989.

8/ In 1988, a relatively good year by rail standards, the industry earned a 5.7% return-on-investment compared to the 10-12% return on investment for American industry as a whole.

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9/ Railroads consume about one-third as much energy per to mile of freight carried. Source: Association of American Railroads, "Role of the Railroads in Energy Conservation and Energy Delivery," December, 1989, submission of the AAR to the U.S. Department of Energy regarding the development of a National Energy Strategy.

10/ Calculated from unpublished report to U.S. Environmental Protection Agency, "Feasibility and Cost-Effectiveness of Controlling Emissions from Diesel Engines in Rail, Marine, Construction, Farm, and Other Mobile Off-Highway Equipment," Radian Corporation, February, 1988.

11/ John Riley, Ibid.

12/ American Road & Transportation Builders Association.

13/ Pittsburgh & Lake Erie Railroad v. Railway Labor Executives' Association, Supreme Court of the United States, June 21, 1989.

14/ Association of American Railroads.

15/ "Field Evaluation of Innovative Active Warning Devices for Use at Railroad-Highway Grade Crossings," K. W. Heathington, D. B. Fambro, and S. H. Richards, FHWA Report Number FHWA-RD-88-130, January, 1988.

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BEFORE THE

SUBCOMMITTEE ON WATER RESOURCE, TRANSPORTATION AND INFRASTRUCTURE
SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE
August 20, 1990 Boise, Idaho

Testimony Robert L. Henry
Idaho Transportation Council

These remarks are offered by Idaho Transportation Council and in particular for its members, Idaho Barley, Bean and Idaho Wheat Commission which authorize the expressions in their behalf. We are pleased that the Subcommittee has extended us this courtesy as we feel that reauthorization of a Federal-aid highway program is essential to the economic production and marketing of Idaho crops.

The rural issues, related to that reauthorization, to which we most specifically refer are:

Federal, state and local government roles

We view the federal aid highway system as an essential asset of the nation. It facilitates the free flow of commerce and travel between states, among regions and to international gateways. Design standards on the Interstate system provide the public with access to uniform quality of vehicle operating efficiency and safety.

As that portion, and other components of the federal aid system,

- Acts to "bridge" traffic through states which are intermediate between origin and final destination;
- Traverses vast areas of land under federal ownership in which commercial activity is restricted and local population is sparse;
- Functions as the means by which the major proportion of the nation's food and consumer necessities are transported; and
- Contributes to international positioning of enormous tonnages of the nation's agricultural and other export product at ports of export and by its efficiency assists in the goal of making American products saleable in the world market.

A federal role, in maintaining and protecting the quality of this system is mandated. Broad national interest requires a federal contribution towards support of the essential highway network of the country. We urge that role, however, is basically administrative in nature.

The role of state governments is seen to flow from the need to physically arrange, coordinate and prioritize the necessary construction, improvement and maintenance of the federal aid system at a state level.

The role of local governments, below state level, is essential to supply that same type of service in the interest of the vast lane mileage of local highways, roads and streets. A varied array of agencies have been charged with local road responsibilities. A state program should be allowed enough latitude to insure it melds appropriately to makeup of local road and highway district agencies at the individual state level.

Efficient functioning at the local level is of particular importance to rural America.

Design Specifications; Safety Issues, Rail Highway Crossings;

Rural concern with these issues continues into the post interstate Federal aid program. Rural roads are the critical link of farms to market and those roads and bridges, if not worn out, are wearing out. Correction of this situation requires more investment than can be supplied from presently available federal, state or local government highway funds.

Broad federal standards and policies should be shaped to insure a more uniform access, in all parts of the nation, to a means of correcting these program failures. Economic reality, however, insists road and bridge design standards and programs to improve highway and rail highway crossing safety fit the reality of highway program fund availability.

Program goals therefore must be realistic. Design standards, should be capable of reasonable modification. Safety programs should aim at the most serious problems existing at any given window in time. Broad latitude should be allowed state legistures, and agencies created thereunder, to shape the manner these public needs are addressed.

Impact of Federal Fuel Tax and Impact of Change in Apportionment Formulae and Matching Fund Ratios on Rural Areas

Since highway and road use is a requisite of both social and commercial activity of rural residents, and since this level of dependence is much greater than for non-rural citizens, impacts increased fuel taxes are greater on rural households than on the usual suburban or city dwelling peer family unit.

Since rural dependence on the highway is non-discretionary, the rural resident is unable to turn aside fuel tax impacts through

increased reliance on public transit or minor shifts in type of social activity. Further, since the level of income for the rural household is less than for most other American households, impact of federal fuel taxes tends to be regressive in nature.

That dependence on roads and highways, however, supplies rural America with an absolute need for a viable highway network. Adequate funding of programs, at the federal, state and local government levels is essential to meet that need. Increases in highway use fees may be necessary to provide the required improvement. Since, however, such taxation is regressive the levy of any highway use tax for any purpose except for direct investment in the highways is not acceptable.

Apportionment of federal funds should be made under a formula which recognizes, adequately, the national responsibility to pay for "bridge" use of highways in intermediate states; the obligation of federal support of highway funding needs in areas and states where huge federal land ownership exists and the ability of the state and local governments to generate revenue to dedicate to highway support, as a result, is impaired.

That apportionment also, to the extent practicable, should make funds available to the states for their use in highway support program as those needs are locally seen to be most pressing. Where possible, the match required for needed local road and bridge improvements should recognize the limited revenue generating capacity of local government in rural areas. For projects designated as local public emergencies (e.g, key bridge failure), the obligation for a local government match might be waived in its entirety.

Increased Truck Sizes and Weights on Rural Roads

Maximum Gross Vehicle Weight and Maximum Weight per Axle Group should be set at limits which protect road surface and bridge structure from heavy load damage.

With railroad trends toward "main lining" their routes and the attending abandonment or down grading of rail service on branch lines, agricultural producers find it necessary to increase use of highways for a larger part of their transport need.

Since Staggers Act, also, rail rates are framed in reference to "market forces" and "competition" rather than regulatory standards. Access to an efficient highway network becomes even more essential to agriculture. Level of trucking cost is determined to a large extent by the ability of roads used to accommodate efficient trucks hauling large loads.

Vigorous highway carrier competition, in terms of the numbers of trucks seeking loads and the charge made, is one of the factors observed in framing the level of the railroad chargee.

U.S. SENATE

WATER RESOURCES, TRANSPORTATION, AND

INFRASTRUCTURE SUBCOMMITTEE

COMMITTEE ON ENVIRONMENT AND TRANSPORTATION

AUGUST 20, 1990

WRITTEN STATEMENT

OF

PARKE GARRARD

PRESIDENT

&

CHIEF EXECUTIVE OFFICER

IDAHO MOTOR TRANSPORT ASSOCIATION

Thank you for the opportunity to present testimony concerning rural issues in preparation for the reauthorization of the Federal-aid highway program and related surface transportation issues. I am pleased to share with you the views of both the Idaho Motor Transport Association as well as the American Trucking Associations.

Adequate and serviceable highways are as important to the motor carrier industry as trucking is essential to the economic well-being of rural states like Idaho. A glance at some fundamental facts about the motor carrier industry in Idaho will confirm trucking's critical role in ensuring the continuation of the state's economic vitality. Based on 1988 data, the Idaho motor carrier industry:

* Employs 24,936 persons.

* Had a payroll in 1988 totaling over $436 million.

* Serves all of Idaho's populated communities of which 47.5% depend entirely on trucks.

* Paid $118 million in 1988 State and Federal Highway Taxes, accounting for 58.6% of the total Idaho and Federal Highway Tax Receipts paid by all motor vehicles in Idaho.

* Trucks paid $81.6 million in State Highway-User Taxes, 57.1% of the total paid by all motor vehicles in Idaho.

* State and Federal Highway User Taxes paid on one large truck combination are 58 times greater than those paid by one medium passenger car.

Nationally, too, trucks have become the carrier of choice of America's shippers. Over 77% of the value of everything America grows and produces now moves on trucks. Freight revenue now exceeds $240 billion annually, and the trucking industry generates fully 5% of this nations gross national product. The trucking industry employs 7.5 million Americans, and pays them $160 billion in wages annually. Trucks pay over $50 million a day in highway use taxes which represents more than 45% of the total State and Federal taxes paid.

Now, let me address some of the specific questions posed by the subcommittee:

(1) the role of Federal, State and local governments in the Federal-aid highway program in the post-interstate era:

We believe that the preservation, expansion, and reconstruction of the National System of Interstate and Defense Highways and major primary highways of national concern should be the cornerstone of a new Federal Highway program. Other arterial routes necessary to

develop a national network should be included in the system.

More specifically, the new national system should consist of 140,000 to 180,000 miles which will effectively connect all of the nation's population centers and accommodates approximately 45% of all traffic movements, including 70% of all commercial traffic.

Primary or arterial routes which are incorporated into the Highways of National Significance should be upgraded to standards adequate for the traffic volumes and vehicle populations using such routes on a priority basis . These routes which carry more than 70% of the nation's intercity freight will require increased funding to meet these higher standards. Some may need to be upgraded to near Interstate System standards but many may simply need to be rehabilitated to modern geometric standards and to provide for adequate traffic movement.

Full Federal-aid funding, as now authorized, should be provided through FY 1991. After completion of the Interstate System, the highways of National Significance must become the principal Federal Aid System. This system should be funded at a level to meet essential future needs and at a higher Federal aid matching ratio than any other Federal aid highways. Fund distribution to the new system should be by an equitable formula.

Federal-aid should continue for major bridges and for secondary and urban roads off the National System to improve urban, suburban and rural mobility. Many interstate freight movements begin or end on lesser rural and urban primary and secondary routes and federal aid programs should support major construction projects on these routes.

Accordingly, a significant federal aid program for routes not included on the new National system will remain a high priority for the trucking industry. Increased federal highway spending should be sought for these categories through 1995 either by reducing specific categories or by block grant programs with some restrictions on use.

(2) design specifications on rural highways:

A recent study by Kenneth A. Small, Clifford Winston and Carol A. Evans, Road Work, published by the Brookings Institution, observes that the trucking industry and the Nation are paying a steep price for suboptimally designed pavements and that "trucks would damage roads far less if roads were correctly built in the first place." In reaching this conclusion, the study assumes life cycle

highway costs would be minimized through optimal highway design -- in their words, by adding "pavement thickness (or other measures to improve durability) until the incremental cost of additional durabilty equaled the incremental savings in maintenance and (highway) user costs." With these duribility improvements, the study suggests that the costs attributable to heavy combination vehicles would be 1/3 less than their current road user charges.

The economics of scale of building stronger and thicker pavement structures are enormous. According to American Association of State Highway and Transportation Officials (AASHTO) design procedures, one additional inch of pavement effectively doubles the strength (and life) of the pavement yet adds only 4% to pavement related contruction cost and less than 1/2 of 1% to the total construction costs of a rural Interstate highway (according to Federal Highway Administration [FHWA] cost data). Virtually without exception, the incremental savings in future highway maintenance, rehabilitation and highway user costs will far outweigh the incremental costs of thicker pavements.

A typical concrete pavement section on rural Interstate highways today is 10" thick. According to current AASHTO design procedures, this design will accommodate a minimum of 5 million 18,000 pound axle load applications (or its equivalent). Eight times more durable than a 10" concrete pavement, a 14" concrete pavement adds but 15% to pavement related construction costs and less than 2% to the total construction cost of a new highway. Pavements on main line truck routes should be built at least 14" thick.

The economies of scale of thicker pavements have long been acknowledged by the highway engineering progression. In testimony before Congress, FHWA has stated that pavement strength goes up with the seventh power of pavement thickness.

We strongly recommend that the Nation begin building and rebuilding its major highways with stronger and thicker pavement structures and better draining base courses. This strategy will increase the probability that pavements will last their intended lives, dramatically reduce life cycle pavement and highway user costs, and make the transportation sector a more productive part of the economy.

(3) rural road safety issues: small community programs, rail highway crossings, consolidation of safety categories.

Accident rates are highest for commercial motor vehicles on rural highways at night. This fact is supported in FHWA statistics compiled from required accident reporting on the Department of Transportation (DOT) accident report.

Based upon University of Michigan Transportation Research Institute (UMTRI) analysis of this data, the kind of road a truck travels is much more important than the kind of truck in determining accident risk. Non-limited-access roads are far more dangerous than are limited access roads. Large truck accidents are comparatively rare during daylight hours on both rural and urban limited access roads. Nighttime travel is more dangerous than daytime travel on non-limited-access roads.

Therefore, we would support greater emphasis being placed on upgrading and maintaining rural highways to improve safety.

Since 1974, almost $5 billion has been obligated from the Highway Trust Fund for rail-highway crossing improvements under the section 130 rail-highway crossing program, other Federal-aid programs, and the section 163 railroad relocation demonstration program. Almost 40% of these funds have come from federal highway user fees paid by the trucking industry into the Highway Trust Fund.

Because these programs provide substantial benefits to the railroad industry, the law requires the railroads to contribute private funds to individual projects. Under section 130(b) of title 23, the railroads are required to contribute up to 10% of total project costs which the Secretary determines will represent the net benefit to the railroads of each project type.

Unfortunately, the regulations under which the railroads have operated since 1975 have served to limit their required contributions to a minuscule level, perhaps 1% of federal-aid project costs. These sweetheart regulations should be reevaluated to assure that the railroads pay their fair shore of rail-highway crossing project costs.

(4) the impact of a federal fuel tax increase on rural areas:

According to figures released on June 7, 1990 by the National Association of State Budget Officers and Federal Funds Information for States, a 10 cent increase for five years would cost $18 million in Idaho State revenue losses and $8 million in Trust Fund losses for a total of $26 million. A 25 cent Federal Gasoline Tax increase for five years would result in a loss in State revenues of $45 million and Trust Fund losses of $20 million for a

total loss of $65 million to the State.

The impacts in rural states such as Idaho are magnified because of the absence of urban population density, absence of transit and the length of trips.

(5) apportionment formulas and the impact of change in matching ratios on rural areas:

As previously stated, we believe that the formulas should be based on equitable distribution of funds that recognize that there is a profound need for a national system.

(6) off system bridges and timber bridges:

As noted before, many truck trips in rural areas begin and/or end on a rural road as such off-system bridges are critical to trucking in rural areas. The sudden loss of a bridge on a primary or secondary road would have a serious impact on farm economy.

We feel that the timber bridge program promoted by the USDA Office of Transportation provides an effective low-cost method of replacing many rural bridges.

(7) private donations of money or in kind contributions in lieu of a local cash match for federal-aid highway projects:

Innovative funding techniques offer opportunities to increase investment in needed infrastructure. The use of private donations of money is an example of a means of leveraging limited federal, state and local resources.

(8) advantages/disadvantages of increased truck sizes and weights for rural roads/rural communities:

Highway freight transport is the largest freight transportation element in the gross national product -- by a large margin. But its importance far transcends direct dollar input to Gross National Product (GNP) because it is so interwoven in the complex modern economy. For that reason, improved truck productivity could greatly benefit our domestic economy and will be vital to our competitive position in the international markets of the next decade. Arbitrary caps on truck productivity, like the federal 80,000 pounds GVW limits are artificial handicaps. They are exacting a price from every consumer, producer and exporter in the nation -- which collectively amounts to billions of dollars annually. This fact was discussed in detail in the recent Transportation Research Board (TRB) Special Report -- Truck Weight Limits: Issues and Options. One of

TRB's major recommendations is a permit program what would allow states to authorize the use of vehicles with gross weights over the 80,000 pound limit provided such programs control the characteristics and operations of these vehicles and require permit fees that cover any increases in highway agency costs.

A recently released study by the Trucking Research Institute (TRI) assesses the productivity benefits to the national economy that can be expected if longer combination vehicles were allowed to operate on a national network. The findings are particularly significant for those interested in agricultural economy. An exhibit in the study reveals that three commodity groups -- farm products, lumber and building materials, and food products -- account for the largest share of the non-LTL (less-than truckload) savings. The annual savings in the cost of truck transport for these three commodity groups represents about two-thirds of the reduction in non-LTL truck costs. The TRI study is entitled Productivity and Consumer Benefits of Longer Combination Vehicles (May 14, 1990).

(9) rural highway needs on Federal lands:

Any federal allocation formula should take into consideration the vast amount of federal land in Idaho and the West.

On behalf of the over 300 member firms of the Idaho Motor Transport Association and the American Trucking Associations, we thank you for this opportunity to speak out on issues that must be answered before the reauthorization of a new Federal-Aid Highway Program can be implemented.

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TESTIMONY BY

ROBERT R. CORBELL, II

Executive Director

Associated General Contractors, Idaho Branch

to

Senator Symms

Ranking Minority Member

Subcommittee on Water Resources, Transportation and Infrastructure

Senator; I'm Robert Corbell, Executive Director; Idaho Branch, Associated General Contractors of America. I serve as Vice- Chairman of the Idaho Highway Users Conference and I am a farmer in rural Canyon County. Each of the above are the reasons I am interested in our highway systems.

Both of the Associations support your Senate Bill 3001, removing the Highway Trust Fund from the federal unified budget, as well as, the increased authorization from the trust fund for highways and airport construction programs.

Several points must be made;

1. The Highway Trust Act that expires September 30, 1991 must be reauthorized.

2. Even though the interstate system is nearly complete, one need only take a vacation trip to realize there still are needs for heavy maintenance, safety requirements and lane additions. These items require priority funding.

3. Adjustments in specifications for highways, other than interstate, would better serve local requirements and provide more funds for state and local government highways and roads. It would allow knowledgeable state officials to determine specifications for their local areas; based on traffic, climate, safety, and right-of-way availability.

A current study by local government officials indicate Idaho needs 7.2 million dollars to provide an up-to-date road system. Current government methods of using road monies, to buy equipment and pay employees, actually inflates the 7.2 million by possibly one half. Relaxing specifications on rural roads and highways will help off-set this increase.

4. Development of America's oil resources will also reduce the cost of roads. Road repairs, bid for the next construction season, could increase in costs based on asphalt prices. As long as the U.S. is buying overseas oil, it, in effect, is exporting jobs and profits. If oil costs escalate, less road work

can be done.

5. Rural highway needs are becoming greater each day. Rural areas are no longer restricted to just farming. Rural roads are supporting tourism, manufacturing, federal land access and mining. Rural communities have been effected by abandonment of light density rail service and reduction in bus service. This has increased the need for both trucking and the use of personal vehicles. More truck traffic has had an effect on the life of both roads and bridges. Safety has also become a factor. Rural roads and bridges are narrow, usually shoulderless and have less weight baring capacity than their present use. Railroad crossing by rural roads are becoming more of a hazard. Idaho currently is experiencing an unusable increase of car/train wrecks at unlighted crossings.

Currently many bridges are weight restricted or closed to truck traffic. Our farming equipment must detour 3 miles each way to reach some of our farmland.

6. Truck traffic is ever expanding in rural America. Trucks are the only mode of transportation that supplements rail, water, pipelines and air freight. Rural roads must be prepared to continue to accommodate this traffic.

7. Most rural areas are not served by airports that have major scheduled airlines. Consideration must be given to development of a feeder airport system. Funding for these airports should come through the aviation trust fund.

8. Control and accountability of the federal trust funds are the first steps in increased availability of funds. Release of too much funding initially could cause waste of the fund. Planning needs to be done prior to funding. Better accountability as to use of the funds is required. Often less than one half of the highway funds are spent on the road surface.

Each of the above points effect the rural communities. Inadequate transportation services and conditions limit the development potential throughout the county. These limitations include;

Transport of Raw Materials and Developed Products

Retention of Existing Businesses

New Industry and Commerce

Commuting To and From Work

Farming Operations

School, Hospital, Fire and Police Access

Tourism and Recreation

In order to prevent rural isolation, immediate work on these roads is required. Use of fuel tax and trust funds for anything other than originally designed will have an economic impact on our transportation system. Road construction develops jobs and in turn taxes. Much of our current infrastructure is decaying and to delay maintenance or reconstruction will only increase the costs. The nation's infrastructure should become a greater priority for our governments. Decisions made now will reshape the future of rural America and our general economy.

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A RESOLUTION

At a meeting in Sun Valley of the Northwest AGC Chapters on Friday, August 17th, 1990, a unanimous resolution was passed "supporting Senator Symms' Senate Bill 3001, removing the Highway Trust Funds from the Federal Unified Budget. We also support re-authorization of the Transportation Act, as well as increased use of the funds in support of rural highway's repair and construction."

The Northwest Chapters represent Idaho, Oregon, Washington and Alaska. Our membership includes more than 2,500 contractors and more than 4,000 subcontractors, suppliers and others that support our industry.

TESTIMONY BEFORE THE

Senate Environment and Public Works Committee Subcommittee on Water Resources, Transportation, and Infrastructure

Boise, IDAHO
AUGUST 20, 1990

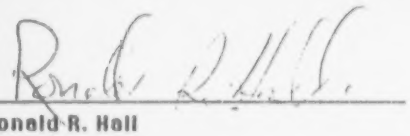
Senator Symms, staff, my name is Ronald R. Hall. I reside near Boise, Idaho and appear before you today as the State Director of the Idaho Small Business Development Center. An Idaho native, I was born and raised on a cattle ranch in a rural farming, livestock and lumber area in the central mountains of our great state. My working career has included over 10 years as a paid professional in the arena of business and economic development, primarily in rural areas, and over 8 years as a business owner and CEO in private enterprise in rural areas. My hands-on experience in rural development has provided me with a clear perspective of rural and small business transportation needs.

During the past 5 years as State Director of the Idaho Small Business Development Center (ISBDC), I have had the opportunity to again participate with my colleagues, with local, regional, state and federal professionals and with Idaho residents in efforts to expand, strengthen and improve the small business industry in our state. Utilizing SBA guidelines, over 96% of our 25,000 businesses are "small businesses", over 70% are located in rural, non-urban areas that by any standards would be considered "rural". With 5 offices strategically located across the state our small cadre of professional business consultants, working through our universities and colleges and EDA Districts, provide services to over 700 small business owners and entrepreneurs per year and offer over 150 seminars on small business topics attended by an additional 2300 entrepreneurs.

Our state's small businesses are continually challenged by the difficult environment in which they must do 'business'. The often harsh realities which confront our every day way of life in rural America are frequently compounded upon our small businesses. Tax bases have been stressed to the limit in the efforts to provide needed roads and bridges to accommodate our commerce, social, and recreational needs.

Small businesses throughout Idaho are very dependent upon efficiently and effectively planned, constructed, and maintained transportation systems and corridors. I need not remind you of the significant amount of public discussion during the recent months regarding our deteriorating highways, roadways and bridges. I am confident, however, that many small business owners could tell yet unheard stories of the significant negative impact--in some cases life threatening to the ventures' continued existence--when road and bridge closures have had to occur, when roads and highways have become so deteriorated that tourist and other commerce travel become prohibitive. If we are to have a vibrant, successful business base in Idaho and other rural states, we must have a dependable, effective system of roads and bridges. A weak, ineffective transportation system is "poison oak" to small business growth and development, and a near death blow to a rural, diversified economic base.

While costs are a significant concern for all of us, it is clear that our local, regional, state and national economy will falter if we do not have a viable ground transportation network. Our taxpayers, including our 25,000 tax paying small businesses, must continue to support the important work of this Subcommittee and its professional staff. Our economy, our businesses, our jobs, and our way of life is very dependent upon your ability to develop needed citizenry and Congressional consensus which will will insure an appropriate federal role in the construction, and maintenance of our roadways and bridges. While I believe your track record in this regard is clear and positive, we clearly have for too long ignored needed investments and reinvestments in our transportation corridors. We must now consider what amount, and from what source, financial commitments will come to keep our rural, natural resource based economy growing. I urge you to move forward with needed financial budgets and reasonable federal guidelines which will help keep Idaho's positive momentum moving and our existing, basic transportation investments protected.



Ronald R. Hall
State Director
Idaho Small Business Development Center
Boise State University

Iowa Department of Transportation
800 Lincoln Way, Ames, IA 50010 515/239-1111

August 20, 1990

The Honorable Steve Symms
United States Senator
Committee on Environment and Public Works
Washington, D.C. 20510-6175

Dear Senator Symms:

Although I am unable to attend your field hearing on rural transportation, I want to thank you for identifying rural transportation as a priority issue to be addressed in the reauthorization of the federal aid highway program.

Rural transportation is the backbone of our nation's transportation network, providing the interstate and interregional connections necessary for our present and future economic vitality. Preserving these interstate and interregional highways is essential if the total transportation system, including urban transportation, is to function properly.

Unfortunately, the massive capital needs and shortage of funding tends to create a rural-versus-urban conflict. Gridlock is picturesque and, as a result, discussions in the national arena on reauthorization focus on urban transportation issues. We recognize that the transportation needs of our urban areas are many and critical to the nation. However, the rural highways are vital links which cannot be ignored. The productivity of this nation's business, industry and agriculture is interwoven with rural lifelines. Funding for rural transportation cannot be overshadowed by the specter of gridlock.

I'm encouraged when U.S. Senators and Representatives focus attention on the needs of rural America. The Iowa Department of Transportation will continue to work with our delegation during the upcoming debates. Thank you again for your interest.

Sincerely,

Darrel Rensink

Darrel Rensink
Director

DR:et

cc: Iowa Congressional Delegation

Commissioners

Sheida Hertzke Boerner, Cedar Falls; Catherine Dunn, BVM, PhD, Dubuque; C. Roger Fair, Davenport; Robert H. Meier, Ottumwa; Doug Shull, Indianola; Suzan M. Stewart, Sioux City; Austin B. Turner, Corning

APA / Ada Planning Association
413 W. Idaho, Suite 100 Boise, ID 83702 (208) 345-5274
Serving Governments in Ada County Since 1977

August 15, 1990

Honorable Steve D. Symms
United State Senator
394 North 8th, Room 318
Boise ID 83702

Dear Senator Symms:

The Ada Planning Association members are the governments of Ada County, and APA is the Metropolitan Planning Organization for the County. We would like the following comments added as input to your public hearing on August 20, 1990 regarding the re-authorization of the Federal Aid Highway Program and the current Transportation Policy statement emerging from the national administration.

1. The 3C planning process established in the 1962 highway act should be maintained and strengthened, particularly for areas over 200,000 population.

2. Federal financing for planning, now set at ½% of the interstate funding levels, should be increased to perhaps a full 1% of the highway construction program. Given the potential under new federal laws for increased environmental evaluations and the growing local emphasis on full analysis of transportation projects, the resources available need to be improved. At the same time, the federal resources should be made more flexible to allow planning funds to be used for project-specific evaluations.

3. For areas of less than 200,000 population the Act should consider shared resources or more limited requirements.

4. Transportation plans and programs should be tied more closely to adequate land-use planning, especially in regards to development approval. In many areas, the transportation plan assumptions have been in conflict with land-use, which has led to costly after-the-fact measures to rectify problems.

5. National technical assistance in issues of travel forecasting techniques and information should be improved. Transportation decisions in many areas are made on the basis of flawed analyses and inadequate data: a situation arising, in part, from the limited number of trained staff. The federal agencies have de-emphasized technical assistance over the past decade.

6. Transportation planning and programming should be more comprehensive in scope. Current policies, tightly interpreted, limit the need for comprehensive planning and environmental assessments to federally-funded projects. This situation is confusing to citizens and local elected officials.

We appreciate your efforts to seek our local comments as Idaho's U.S. Senator. I wish you and your subcommittee well in your deliberation on the re-authorization of the Federal Aid Highway Program.

Sincerely,

Steve Guerber, Chairman

EO:ll/LRP SYMMS.LTR

cc: File 661 Long Range Plan
Chris Schwarzhoff,Director Ada County Highway District
Jerry Dick, District Engineer, Idaho Transportation Dept.
Ray Stark, Boise Chamber of Commerce

August 14, 1990
1311 E Dewey
Nampa,Id 83686

Honorable Steve Symms:
Idaho State Senator
8th & Bannock
Boise,Idaho 83601

RE:
1991 Hiway Bill(Transportation)

Dear Steve:

The National Grange Project is Local Road & Bridges and what they mean to the economy of America. In most areas, there is not enough money set aside for the continued upkeep, maintenance and building of new bridges and roads. This has been especially true in the rural and urban areas in Idaho.

After discussion at the recent South Side Grange meeting, it was decided that the monies from the tax on fuel should not be syphoned into other programs, but should remain intact for use in the transportation department. The federal deficit should not be paid with the tax money from fuel tax; nor should the funds in the Social Security program be used for the federal deficit.

If there is anything further that our Grange can do to help keep these funds in their proper depa tments, please let us know.

Fraternally,
Verda Allen
Verda Allen, Master
South Side Grange #99
1311 E. Dewey
Nampa,Id 83686

P.S. Please include this letter in the hearing on Aug 20. It very busy time for the farmers right now.

AAA OREGON

Automobile Club of Oregon

3231 West Devils Lake Road
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August 6, 1990

Senator Steve Symms
Senate Environment and Public Works Committee
Subcommittee on Water Resources, Transportation and Infrastructure
United States Senate
Washington, D.C. 20510

Attn: Janet Burrell

Re: Rural Transportation Issues Hearing
Boise, Idaho, August 20, 1990

Dear Senator Symms:

The Automobile Club of Oregon appreciates the opportunity to address rural transportation issues; particularly the issue of longer combination vehicles (LCVs).

LVCs have a detrimental affect on rural roads and rural communities. Rural highways are maintained by states, and each individual state is driven by different priorities, systems and finances available for building and maintaining roads. Therefore, it would seem the federal government should allow each state to decide if longer combination vehicles should be permitted.

With the State of Oregon, and not the federal government, now paying for the majority of highway costs, it is particularly unreasonable for the federal government to mandate bigger trucks which will break down our rural highways.

Ray Barnhart, former Federal Highway Administrator, states, "Big rigs are literal~~ly~~ breaking up our highways, and we are subsidizing the destruction." Further, he states, "I have yet to find a single state highway career professional- I distinguish that from political - who advocates the use of larger vehicles." In 1986 the U.S. Department of Transportation claimed that extending the operation of the so-called longer combination vehicles would substantially increase highway investment costs.

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The State of Oregon simply cannot afford the cost of LCVs. Estimates show that trucks still underpay their share of highway costs by 40%. When that fact is coupled with the state's low priority funding of rural highways, in order to maintain the Interstate system,it is obviously a no-win situation for Oregon. The Automobile Club of Oregon urges the Senate Subcommittee on Water Resources, Transportation, and Infrastructure to let each individual state decide the issue of longer combination vehicles.

Sincerely,

Dell Isham

Dell Isham
Legislative Consultant

cc: Roger Graybeal
Jim Dutoit
Doug Peeples
Mark Gibson
Everett Cutter

P.O. Box 1384 • Boise, Idaho 83701

TESTIMONY

BY THE

IDAHO HIGHWAY USERS CONFERENCE

TO THE

U.S. SENATE SUBCOMMITTEE

ON

WATER, RESOURCES, TRANSPORTATION AND INFRASTRUCTURE

AUGUST 20, 1990

August 20, 1990

Senator Symms, I am Logan Lanham Chairman of the Idaho Highway Users Conference. The Conference is a non-partisan and non-profit private sector organization composed of associations, business/industry and individuals with a purpose to encourage the full development and maintenance of the local, state and national highway transportation systems for the safe and efficient movement of people and products.

The Conference welcomes this opportunity to testify before the Senate Subcommittee on Water, Resources, Transportation and Infrastructure as the Congress considers reauthorization of the Federal-aid Highway Program.

In light of the current events happening in Iraq, Saudi Arabia and Kuwait and with the pending activities in the U.S. Congress as it struggles to balance the federal budget deficit, all of which will have a dramatic impact on the highway users community, we recognize the importance of our comments and input into this hearing.

At the Idaho Highway Users Conference Executive Committee meeting on August 16, 1990 the Committee unanimously endorsed the Highway Users Federation's "Nine Elements of a New Highway Program for America". A detailed description of these elements is attached as a part of our testimony.

The Conference believes that the "needs and wish lists" of local, state and national transportation officials will be of little value unless the Congress enacts a sound and equitable highway plan for the future.

That plan must include key program features that:

- o-Extend the Highway Trust Fund indefinitely.
- o-Reduce the balance in the Highway Trust Fund to a reasonable cash flow level
- o-Remove the Highway Trust Fund from the Unified Budget and from Gramm-Rudman-Hollings and other obligation controls.

Senator, we support and applaud your efforts to seek Congessional legislation, "The Transporatation Investment and Trust Act of 1990" which would meet the goals of the above features. They are among the most vexing problems facing the highway users community.

On the subject of Rural Transportation matters the Conference supports objectives to assist states in assuring a minimum acceptable level of transportation service to residents of small cities and rural areas to enhance their

safety and living quality, and to improve economic development and scenic and recreational driving opportunities.

A sound and viable rural highway program would provide $2 billion/year from the Highway Trust fund for highway and bridge construction and upgrading projects and transit capital projects outside metropolitan areas of 50,000 or more population, other than projects on designated Interstate or National Arterial Systems. Transit capital projects would be limited to 25% of each state's annual apportionment.

Projects to be selected by a joint action of state and local governments, must conform to a mutually adopted 10 year plan with specific objectives. Plan must include public transportation and scenic/recreational driving components.

State (or local) matching would be 25/75 except for limited access projects (15/85). Funds would be apportioned among areas of the state on a mutually agreed basis. States must certify that projects meet safety, environment, labor and structural standards approved by the Secretary of Transportation.

Annual post-expenditure reports and audits would be performed by the Federal Highway Administration to assure proper business practices.

Another vital feature that is inexorably tied to rural highway transportation community matters is the need to provide access to federal lands, enhance use of natural resources, provide recreational driving opportunities and carry out federal management responsibilities.

The Conference supports program features that will continue Forest Highway, Public Lands Highway, Parkway and Indian Reservation Roads Programs from the Highway Trust Fund at $300 million/year. This program would require that each state, in conjunction with local jurisdictions and federal land management agencies identify those routes of significant scenic and recreational value within the state and develop plans for thier designation and improvement as parts of appropriate federal-aid programs.

In conclusion the Conference opposes any Congressional action to impose an Energy/Carbon Tax and/or raise federal motor fuel taxes to balance the federal budget deficit. Idaho stands to lose $26 million dollars in state and federal trust fund revenues over a five year period if Congress increases the federal gas tax ten cents to balance the deficit. $65 million over five years if twenty five cents is imposed.

Highway users in the rural states and highway users in rural communities are at risk for they regularly travel greater distances in their motor vehicles than those highways users in heavily urbanized states and communities.

With these motor vehicle travel requirements, the rural states and rural communities would pay a disproportionate inequitable share to balance the Federal Budget deficit if motor vehicle taxes were increased for that purpose.

We thank you for this opportunity to meet with you and to make our views known on these many complex and important highway transportation matters. We are forwarding copies of this testimony to all members of Idaho's Congressional Delegation.

HIGHWAY USERS FEDERATION

DETAILED DESCRIPTION OF ELEMENTS OF PROPOSED FUTURE FEDERAL-AID HIGHWAY PROGRAM

March 13, 1990

INTERSTATE SYSTEM

OBJECTIVE:

To assure that the economic, national defense and productivity benefits of the Interstate System will be maintained and the entire system will be preserved and upgraded as necessary to continue a high level of service to users.

PROPOSED PROGRAM FEATURES:

Complete currently authorized Interstate System segments and approved highway and transit Interstate substitution projects. Appropriate further funds as required.

Maintain federal performance standards and inspections for physical and operational maintenance of Interstate sections.

Provide $4 billion/year from the Highway Trust Fund for Interstate 4R projects selected by states and approved by the Secretary. State eligibility based on meeting Interstate maintenance standards. State matching 15/85.

Projects aporoved by the Federal Highway Administration to assure high quality design standards and federal requirements, as in present program.

If all feasible physical and operational improvements have been made to deficient Interstate segments within a state, the state may, with the Secretary's approval, use Interstate funds for National Arterial System projects selected to best augment Interstate segments.

A state may petition the Secretary to add highway segments to the Interstate System, providing that each segment forms an appropriate addition to the system and meets Interstate design standards. After such addition, the route would be eligible for Interstate funds and would be included in apportionment calculations.

NATIONAL ARTERIAL SYSTEM

OBJECTIVE:

To create a high quality system of routes of national significance to augment the Interstate System in meeting interstate and inter-regional person and freight movement needs and to stimulate and support sound economic development.

PROPOSED PROGRAM FEATURES:

Provide $6 billion/year from the Highway Trust Fund for capital projects on a system selected by each state and approved by the Secretary, based on a national functional classification study and not exceeding 4% of each state's rural and urban road mileage.

Projects on existing or new rights-of-way selected by the state based on a comprehensive 10-year plan to achieve specific objectives developed by the state, coordinated by the state with metropolitan area, rural and small city plans within the state, and approved by the Secretary as supporting interstate and national objectives.

Projects reviewed and approved by the Federal Highway Administration to assure high quality design standards and federal requirements, as in present program.

State (or local) matching would be 25/75 except for limited access projects (15/85).

METROPOLITAN PROGRAM

OBJECTIVE:

To assist states in assuring high quality and environmentally sound transportation service and improve the productivity and livability of their metropolitan areas.

PROPOSED PROGRAM FEATURES:

Provide $4 billion/year from the Highway Trust Fund for highway construction, transportation system management and transit capital projects within metropolitan areas of over 50,000 population. Transit capital projects would be limited to 25% of each state's annual apportionment.

Provide $3 billion/year from general funds for discretionary transit capital projects on new or greatly expanded transit systems approved by the Secretary.

Projects selected by the metropolitan area and approved by the state must conform to a 10-year plan with specific objectives developed by the metropolitan area and approved by the state. Plan must include system management, transit and operational components. Plans for areas of over 500,000 population must also include congestion relief and pedestrian safety components.

State (or local) matching would be 25/75 except for limited access projects and discretionary General Fund projects (15/85). Funds would be apportioned among the metropolitan areas of the state on a mutually agreed basis.

State must certify that projects meet safety, environmental, labor and structural standards approved by the Secretary.

Annual post-expenditure report and audits would be performed by the Federal Highway Administration to assure proper business practices.

RURAL AND SMALL CITY PROGRAM

OBJECTIVE:

To assist states in assuring a minimum acceptable level of transportation service to residents of small cities and rural areas to enhance their safety and living quality, and to improve economic development and scenic and recreational driving opportunities.

PROPOSED PROGRAM FEATURES:

Provide $2 billion/year from the Highway Trust Fund for highway and bridge construction and upgrading projects and transit capital projects outside metropolitan areas of 50,000 or more population, other than projects on designated Interstate or National Arterial Systems. Transit capital projects would be limited to 25% of each state's annual apportionment.

Projects to be selected by joint action of state and local governments, must conform to a mutually adopted 10-year plan with specific objectives. Plan must include public transportation and scenic/recreational driving components.

State (or local) matching would be 25/75 except for limited access projects (15/85). Funds would be apportioned among areas of the state on a mutually agreed basis.

States must certify that projects meet safety, environmental, labor and structural standards approved by the Secretary.

Annual post-expenditure reports and audits would be performed by the Federal Highway Administration to assure proper business practices.

HIGHWAY AND TRAFFIC SAFETY

OBJECTIVE:

To assure an emphasis on safety in highway development and operations, assist states in improving traffic safety performance through education, enforcement and system improvements, and assure that essential safety requirements for driver, vehicle and commercial fleet operations conform to high and nationally uniform standards.

PROPOSED PROGRAM FEATURES:

Develop national performance goals and safety standards governing drivers and vehicles and the safe movement of traffic. Develop uniform standards for commercial motor vehicles, carriers and operators.

Provide $250 million/year from the Highway Trust Fund to assist states in implementing improved traffic safety programs. $125 million/year of the total would be available to assist states in safety research and studies, vehicle and driver licensing, traffic records and training, and education and enforcement projects which conform to a 5-year plan prepared by the Governor and approved by the Secretary. The second $125 million/year would be available to the states as an incentive to assist in achieving nationally uniform performance goals or standards in priority areas developed by the Secretary and the states, such as 70/80 percent safety belt usage or administrative license revocation. Incentive funds would be available in conformance with a 5-year plan prepared by the Governor and approved by the Secretary.

Provide $100 million/year from the Highway Trust Fund for motor carrier safety assistance programs.

Provide $500 million/year from the Highway Trust Fund to correct identified safety hazards and improve uniform traffic control, guidance and protection devices on any public road based on a state developed 5-year plan to achieve specific objectives approved by the Secretary.

State (or local) matching would be 10/90 on safety construction projects and 0/100 on other activities.

Provide $70 million/year for federal traffic and highway safety research.

Provide $25 million/year to establish and operate a national highway safety data center.

FEDERAL LANDS AND SCENIC ROAD PROGRAMS

OBJECTIVE:

To provide access to federal lands, enhance use of natural resources, provide recreational driving opportunities and carry out federal management responsibilities.

PROPOSED PROGRAM FEATURES:

Continue Forest Highway, Public Lands Highway, Parkway and Indian Reservation Roads Programs from the Highway Trust Fund at $300 million/year.

Require that each state, in conjunction with local jurisdictions and federal land management agencies identify those routes of significant scenic and recreational value within the state and develop plans for their designation and improvement as parts of appropriate federal-aid programs. (Further recommendations may stem from the Congressionally mandated National Scenic Byways Study now being conducted by Federal Highway Administration.)

BRIDGE PROGRAM

OBJECTIVE:

To assist states in carrying out a program of bridge inspection, maintenance, and orderly rehabilitation and replacement which assures that essential highway bridges are safe and adequate.

PROPOSED PROGRAM FEATURES:

Provide $2.5 billion/year from the Highway Trust Fund for a state bridge management program covering all highway bridges within the state. Funds would be available for planning, inspection, reconstruction, rehabilitation or replacement of existing highway bridges, but not new bridge construction.

$300 million dollars/year of the above would be distributed at the discretion of the Secretary for unusually large project.

Projects selected by the state must be based on a 10-year bridge management plan with specific objectives prepared by the state and approved by the Secretary.

Projects exceeding $5 million in total cost would require Federal Highway Administration design approval. On other projects, the state would certify compliance with safety, environmental, labor and structural standards approved by the Secretary.

State (or local) matching would be 25/75.

Annual post-expenditure reports and audits would be performed by the Federal Highway Administration to assure proper business practices.

RESEARCH

OBJECTIVE:

To provide a strong federal presence in national and international research, to fund continuing research programs in highway materials and methods and accelerate research in areas of known deficiency.

PROPOSED PROGRAM FEATURES:

Provide international leadership in a public/private program to use electronics to improve highway safety, driver information systems and vehicle controls ($1 billion over 10 years).

Expand other Federal Highway Administration research, development and technology transfer programs to up to 5% of total program ($200 million/year).

Permit states to use up to 3% of federal funds for research and planning activities ($600 million/year).

Require a study and demonstration of improved methods of collecting user fees, feasibility and equity of peak-period pricing, and means to assure minimum evasion of highway user fees.

Require an update of the 1982 Cost Allocation Study by 1994.

Require a special study of transportation needs of an aging population.

Require a study and demonstration of effective methods to preserve rights-of-way for future transportation needs.

Continue and fund the Long Term Pavement Performance Study.

EMERGENCY RELIEF PROGRAM

OBJECTIVE:

To provide a source of funding to decrease local transportation impact of natural disasters.

PROPOSED PROGRAM FEATURES:

Continue Emergency Relief Program from the Highway Trust Fund at $100 million/year.

PLANNING

OBJECTIVE:

To stimulate and insure proper planning of transportation facilities and coordination with local land use planning and development.

PROPOSED PROGRAM FEATURES:

Continue planning requirements of section 134.

Permit states to use up to 3% of federal funds for research and planning activities ($600 million/year).

Require more extensive transportation planning efforts and the cooperative creation of 10-year development plans as a condition of federal-aid under the National Arterial System, Metropolitan and Rural/Small City programs.

Continue biennial reports to Congress on highway system condition and performance, and bridge conditions.

Require a full policy-oriented review of surface transportation conditions and program effectiveness in 1994 and every five years thereafter.

PROGRAM MANAGEMENT

OBJECTIVE:

To provide the most cost-effective program administration which will achieve national objectives while permitting maximum state/local flexibility in program management.

PROPOSED PROGRAM FEATURES:

Continue a funding system which relies on highway user fees for most costs of high level systems but permits a blending of support from other beneficiaries by all levels of government.

Continue current federal oversight and project approval process for Interstate, National Arterial and major bridge projects. Permit other programs to be supervised by state or local governments and certified by them as meeting applicable federal requirements.

Provide that each state establish systems of bridge, pavement and maintenance management covering all publicly owned roads and bridges that will assure the proper inspection, maintenance, repair and, as appropriate, replacement of road surfaces, traffic control and safety appurtenances, bridges and drainage structures.

Continue cost reimbursement relationship with states.

Retain traditional (sections 301 and 129 (a) through (i)) conditions controlling use of Federal funds in conjunction with toll roads, bridges, tunnels and ferries.

Eliminate specific "demonstration" projects.

Reduce use of federal sanctions and penalties.

Reduce the number of federal program categories, permit funds in all categories to remain available for two fiscal years and allow up to 50% of funds in any category to be transferred to another category. Transfers out of the Interstate category would require Secretarial approval and transfers out of the Metropolitan and Rural/Small City programs would require concurrence of affected local governments.

Continue the international leadership of the United States in highway matters and technical assistance to other nations.

FEDERAL FUNDING

OBJECTIVE:

To continue an equitable method of funding federal transportation objectives with dedicated highway user funds for activities benefiting highway users, augmented by general funds to achieve broad social objectives.

PROPOSED PROGRAM FEATURES:

Increase federal highway-safety-transit aid to $22.945 billion/year, with $19.945 billion from the Highway Trust Fund for fiscal years 1992 through 1995. Appropriate $4.7 billion necessary to fund authorized Interstate completion and substitution projects.

Extend the federal Highway Trust Fund indefinitely.

Consolidate the highway and transit accounts into one account in the Highway Trust Fund from which all eligible programs would be funded.

Reduce balance in the Highway Trust Fund to a reasonable cash flow level (about $2 billion) by 1995.

Continue the current federal user tax structure until the Trust Fund balance is reduced to cash-flow level -- about 1995.

Shift the subsidy of gasohol and other alternative fuels from Highway Trust Fund sources to general funds.

Remove the Highway Trust Fund from the Unified Budget and from Gramm-Rudman-Hollings and other obligation controls.

Keep the internal solvency controls of the Highway Trust Fund (Byrd Amendment).

Standardize state (or local) matching requirement at 25/75 except for limited access projects (15/85), safety activities (0/100), and safety construction projects (10/90). Matching requirements would be reduced in states with large federal land holdings, following current practices.

Apportion funds among the states on the basis of simple and equitable formulae utilizing easily verified factors.

Assure each state that its annual apportionment would not be less than 90% of its actual contributions to the Highway Trust Fund and that its annual apportionments through 1995 would not be less than its 1991 apportionment, less Interstate completion funds.

SUMMARY OF PROPOSED FEDERAL FUNDING

	Current[1]	Proposed 1992-1995
	(Millions of Dollars)	
Interstate[2]	5,965	4,000
National Arterial System	2,373	6,000
Metropolitan Program	750	4,000
Trust Fund Transit Program	1,405	(3)
General Fund Transit Program	2,350	3,000
Rural Small City Program	600	2,000
Bridge Program	1,630	2,500
Safety	569	945
Research on Smart Highways[4]	-	100
Federal Lands & Scenic Roads	235	300
Emergency Relief	100	100
Demo., Substitute, Other	1,883	0
	17,860[5]	22,945

(1) 1991 authorizations from Surface Transportation and Uniform Relocation Assistance Act of 1987.

(2) Plus $4.7 billion in FY 1992 for Interstate completion and substitution projects currently authorized.

(3) Up to 25% of Metropolitan & Rural/Small City Program funds available for transit capital improvements.

(4) Also up to 1% of total program funds to FHWA & UMTA for R&D & technology transfer and up to 3% of total program funds for research and transportation planning activities by state, metropolitan, and rural/small city governments.

(5) Subject to obligation ceilings. 1989 Highway, $12.0 billion; Transit, $1.14 billion.

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TESTIMONY OF THE
IDAHO STATE AUTOMOBILE ASSOCIATION
TO THE
U. S. SENATE SUBCOMMITTEE ON
WATER, RESOURCES, TRANSPORTATION AND INFRASTRUCTURE

My name is Dave Carlson, representing the Idaho State Automobile Association, representing 47,000 member motorists and affiliated with the American Automobile Association, with membership now nearing 32 million.

We appreciate this opportunity to express viewpoints in regard to reauthorization of the Federal-aid Highway Program. We embrace and applaud this program that has served Idaho well.

Our comments are based on two central tenets of AAA: Number one, mobility is an essential right of motorists and is vitally interlinked to the state's economic well-being; and number two, safety must remain a fundamental concern of our infrastructure in the future.

Mobility is a vital prerequisite for, and benefit of our infrastructure. Our members represent a cross section of the population: Young and old, men and women, working and retired, farmers and corporate heads. To the farmer transporting crops to market, mobility is a well-maintained, safe road system. To the tourist, mobility is a well-designed, wide laned road that allows him to use his fifth-wheel. To the businessperson, mobility is a direct-approach route to his destination, one that will keep his costs at a minimum. Whatever the vantage point, we depend on the infrastructure for our well being.

But our members are concerned. A November, 1989, random sample survey representing members in 22 counties in AAA Idaho's primary coverage area revealed that 68 percent believed highway construction and improvements are urgently required. Fifty-six (56) percent said they would favor increased registration fees to pay for state and local improvements. Eighty (80) percent said Idaho's roads and bridges should be paid for jointly by state and local tax structures. And what about the Federal government's role? Fully 86 percent of the respondents

reject any increase in the gas tax to lower the national budget deficit. They want the Highway Trust Fund monies dedicated to roads and bridges. Unused balances in the Trust Fund should be spent down, not used to give the illusion of a balanced budget effort.

We applaud Senator Symms' efforts to ensure full utilization of the monies in the Highway Trust Fund. The Trust Fund has served Idaho well, but a decades-old infrastructure is clearly in need of improvement, repair, reconstruction and refurbishment.

The Local Highway Needs Assessment study released earlier this year raised some eyebrows. We discovered a $7 billion sleeping giant in Idaho's back yard. The study concluded $4 billion of the total bill would be required to simply avoid an infrastructure collapse in the next six (6) years.

A host of proposals including state gasoline tax increases, impact fees and higher vehicle registration fees will be discussed and debated. The study showed financing falls well short of the needs, and that rural county roads are perhaps the most overlooked. Many are unpaved and it appears a foregone conclusion that many paved ones will revert to gravel.

Idaho's tourism numbers were up 21 percent this July over last, a result of Idaho's Centennial celebration On a busy day, our Boise office may see upwards of 100 member motorists, tourists who will spend their money in Idaho if the roads will take them there. Clearly, tourism's growing contribution to the state's economic well being cannot be overlooked.

Historically, traffic safety has been a primary concern of AAA. As we head into the 21st century, it's vital that our roads meet the increased demands that will be placed on them, both by a growing population and one that is growing older.

Americans are living longer. The number of over-80 is the fastest growing segment of the population. And the biggest group are those now entering middle age. As the Baby Boomers reach age 55, and move through the next decades, more than half the population will be 55 or older. Older drivers are involved in more accidents and more fatal traffic accidents than any other age group except the youngest drivers (16-25); and the accident rate increases starting at age 55, so that the very old drivers have an accident rate that is higher than for the drivers the drivers aged 16-25.

Among the concerns of older drivers is the need for wider lanes, longer merge lanes, freedom from fear of large double- and triple-trailer trucks and improved freeway signing that will give them adequate time to make freeway exit decisions.

In addition, adequate rest facilities and roadside emergency phone service will be required.

Safe roads are essential. The societal costs of traffic accidents are already alarming. Roads and bridges in disrepair could be responsible for a death rate that could double in the next twenty to thirty years.

In conclusion, Idaho's AAA firmly supports reauthorization of the Federal Aid for Highways program, one that will recognize vital economic impacts tied to mobility and the need to address vital safety concerns. A national Ground Surface policy is a necessary prerequisite for the states before they can proceed with their own efforts. The partnership of federal, state and local decision makers will be vital. We endorse the Highway Users 9-point plan because it addresses AAA's concerns and makes provisions for research, a national arterial system and development of scenic and recreation roads.

LIVING INDEPENDENCE NETWORK CORPORATION

...people connecting people to independence.

September 14, 1990

Senator Steve Symms
509 Hart Senate Office Bldg
Washington, D.C. 20510

Senator Symms:

Living Independence Network Corporation - LINC, is a non-profit 501(c)(3) organization that works with people with disabilities to assist them in living independently in the community. LINC relies on a federal grant for funding and we find that the amount of money we get is not adequate to meet the needs expressed by the people we serve.

LINC has been working diligently to create innovative techniques in providing accessible and affordable transportation alternatives for people with disabilities. One way in which LINC has been providing transportation to people with disabilities is by providing taxi cab coupons at a reduced cost to the consumer. We presently have agreements with KWIK Cab and YELLOW/ORANGE Cab Companies.

Coupons through either of the above cab companies can be purchased at one-third the price of the actual fare. We have received comments from numerous consumers, community members, as well as the cab companies stating that this is one of the best services to increase people with disabilities independence.

There are two (2) areas that present difficulty to us in providing this service in the most effective way to consumers. They are:

1) Government regulations require certain eligibility criteria that excludes some people with disabilities from receiving the service from us. Funds other than government would allow for more flexibility.

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2) LINC's limited resources causes us concern as to whether we will be able to continue the program at the end of the funding period.

There are a number of disabilities which cause people problems in the area of transportation. Epilepsy, physical impairments, blindness, and mental impairments may restrict a persons ability to drive. Public transportation is limited in its ability to provide for the transportation needs of people with disabilities. It is available during limited hours and only during week days. Public transportation may also require 48 hours advance notice, and have a waiting list to receive services. People with disabilities need transportation available to them 24 hours a day, seven (7) days a week. The cab services available through LINC makes this possible.

Transportation alternatives for people with disabilities, elderly and people on fixed income becomes even more limited when they live in the rural areas of Idaho. For example, Trans IV, the transportation provider in Twin Falls has been running an itinerant route to Burley but because of funding they will have to discontinue this route which will leave people in Burley no public transportation.

Idaho is one of five states that does not provide state funding for transportation. Therefore, each community is left to fend for themselves or rely on federal funding to provide public transportation. Transportation is necessary in order for people to attend medical appointments, work, recreation, social activities and daily community activities.

LINC commends you, Senator Symms, for providing leadership in the area of public transportation. For people with disabilities transportation is not a luxury or a way to control pollution, parking, etc. It is a necessity.

Sincerely,

Kelly Buckland
Executive Director

jwa

Mini-Cassia
Development
Commission

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U.S. Senate Subcommittee on Water Resource,
Transportation, and Structure of the Environment
and Public Works Committee

Senator Steve Symms
Ranking Minority Members
Subcommittee on Water Sources
Transportation and infrastructure
U.S. Senate
Washington, D.C. 20510

Dear Senator Symms

The Mini-Cassia Development Commission is pleased to have the opportunity to present written testimony to the subcommittee, concerning rural issues in preparation for the restoration of the Federal-Aid Highway Program.

The issue of adequate roads in rural Idaho is a pressing one and problems continue to grow as roads deteriorate from increased traffic, and heavier loads.

It has been apparent for many years that much of the nations rural highway systems suffer from inadequate design to meet the demands of todays traffic. Farm to market loads are increasing in size as the nations farmers become increasingly efficient in crop production. This, coupled with increasing interstate traffic has devastated much of the rural system as funding for maintenance and repair dwindles. The rural system must be designed to meet current and future needs.

The impact of a Federal fuel tax increase on rural areas would be devastating to rural economics. The cost of growing and marketing crops would escalate, affecting all of an already stressed economy. The increased burden of larger fuel taxes, in addition to the already mushrooming costs of fuel resulting from the Iraqi crisis would contribute to recessionary pressures that much of the rural economy could not withstand.

Mini-Cassia
Development
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Bridges continue to decay as negligence and overloading take their daily toll. Studies have shown that Idaho's bridges are crumbling faster than available funds will permit repairs and replacement. New efforts are needed at the Federal level to improve this situation.

Increased activities on rural highways crossing federal lands is a growing problem as growing tourism and recreational use impact narrow, and unpaved routes. An example of this problem exists in our forest area lands in Cassia County of Idaho where the unpaved route over a forest service highway to the popular Howell Canyon Recreation area has become all but impossible from traffic caused ruts and potholes.

Rural transportation needs for agriculture and industry are growing at a rapid rate. As agriculture and industry continue to relocate from metropolitan areas, to rural environments, the impact of pressure on already inadequate highway systems is creating serious problems. The system cannot withstand the continued stress of heavier loads and increasing traffic, and the situation becomes more acute as the availability of Federal and local funds disappear.

The rural highway system is in trouble and the reauthorization of the federal-aid highway program must include increased assistance to alleviate the problems.

We appreciate efforts being made to free up money from the Federal Highway Fund.

Respectfully submitted

Mark Moorman

Mark Moorman

Mini-Cassia Development Commission

National Growth Management Leadership Project
534 SW 3rd Ave., 300 Willamette Building, Portland, OR. 97204 (503) 223-4396

July 26, 1990

Honorable Daniel Patrick Moynihan
464 Russell Senate Office Building
Washington, D.C. 20510

Re: Recommendations to include in the reauthorization of the Surface Transportation Act policies requiring the integration of land use and transportation planning and granting greater local flexibility in the spending of federal transportation funds.

Dear Senator Moynihan:

We are writing to you as members of the National Growth Management Leadership Project (NGMLP) to bring to your attention several issues relating to national transportation policy and to make two recommendations for inclusion in the legislation reauthorizing the federal Surface Transportation Act.

The NGMLP is a confederation of seventeen nonprofit organizations promoting sound growth management at state and regional levels. NGMLP members include organizations from Maine to Washington and from Florida to Hawaii. 1000 Friends of Oregon organized the NGMLP in 1988 primarily to facilitate an exchange of information and expertise on state and regional growth management strategies. Since the formation of the NGMLP, however, project participants have also identified areas where federal policy directly affects the nature of state and regional land use and growth management. Transportation funding is one of those areas.

Between May 18 and 20, 1990, NGMLP members met at Airlie Conference Center in Virginia to consider how federal transportation funding affects land use and to discuss how local land use policy can make federal transportation investments more effective. After reviewing extensive background materials and receiving presentations from experts in the field, the group concluded that improvements to the federal Surface Transportation Act are necessary to ensure that federally funded transportation projects promote sound growth management objectives and to protect public investment in transportation infrastructure. Specifically, the NGMLP members determined that legislation reauthorizing the Act should (1) require state and local

governments receiving federal transportation funds to develop programs that integrate land use and transportation planning and (2) grant state and local governments greater flexibility in the use of federal transportation dollars.

The Transportation/Land Use Connection

Over the years, there has been an increasing realization that transportation policies have a direct effect on land use and growth management. Nearly every major study on transportation has recognized this connection (see, e.g., Pucher, "Urban Travel Behavior as the Outcome of Public Policy," APA Journal, Autumn 1988; Pushkarev & Zupan, Public Transportation and Land Use Policy, 1977).

A classic example of the land use/transportation relationship can be seen in the Washington, D.C. area. Washington-area governments built the Capitol Beltway in 1964. At the time of the Beltway's construction, the land around the Beltway was sparsely settled and was on the fringe of the Washington metropolitan area.

Twenty-six years later, the sparse settlements have turned into massive new suburban developments, such as Tyson's Corner and New Carrolton. Few if any of these developments would have been possible without the existence a major transportation artery such as the Beltway. The existence of the transportation facility set the stage for major land use development patterns.

If transportation affects land use, it is equally true that land use affects transportation. When the Capitol Beltway was built in 1964, the ostensible purpose of the facility was to provide for circumferential travel around the D.C. metropolitan area. Now, however, substantial portions of the Beltway are regularly clogged with traffic traveling to and from the suburban developments the Beltway made possible. The failure to manage growth around the Beltway defeated the facility's purpose. There are now efforts to construct yet another beltway around D.C., ten to twenty miles further out, to serve the circumferential traffic the Capitol Beltway can no longer handle. If there are no checks to suburban sprawl, however, the relief this new "outer beltway" will provide will be short-lived and the public investment will be needlessly squandered on automobile-dependent and energy-inefficient land use patterns.

There are numerous other examples of this land use/transportation spiral across the country, affecting small towns as well as major metropolitan areas. In Bend, Oregon, for instance, state and

local officials are currently planning the construction of a new bypass to detour an existing bypass that is clogged with traffic generated by uncontrolled development.

Traffic congestion has become a fact of life for virtually every urban area in the country. In a November 1989 study, the General Accounting Office (GAO) estimated that Americans are currently spending more than 1.252 billion hours a year stuck in traffic. Assuming current trends remain constant, the GAO predicts that this number will increase by 452% to 6.906 billion by 2005.

A significant contributor to this congestion crisis is the pattern of sprawl development that is occurring in our suburban areas. Such development frequently is low density in nature, making the provision of public transit inefficient, if not impossible. In addition, sprawl development is rarely designed to facilitate pedestrian or bicycle traffic. Consequently, such development is almost uniformly automobile-dependent, placing significant demands on existing roadways, creating substantial pressures for the construction of new highway facilities, and limiting mobility for major segments of our society.

Hence, the solution to America's congestion crisis depends a great deal on the alteration of existing land use trends. The establishment of mixed-use, high density economic activity nodes, the concentration of employment centers and residential uses, and the development of "pedestrian friendly" design standards can go a long way towards getting people out of their cars and into public transit, on bicycles, and on their feet. Indeed, it appears that the adoption of such land use patterns and standards may be the only way to avoid the highway construction/suburban sprawl spiral. See Attachment A.

Recommendations for the Reauthorization of the Surface Transportation Act

1. Transportation Funding and Land Use. The federal government can best lead the way in addressing the nation's burgeoning transportation problems by requiring a stronger integration between transportation funding and land use policy. While Congress should not dictate specific land uses, it should direct and support state, regional, and local governments in adopting land use policies that can provide for a range of transportation choices.

Some states have taken steps on their own to promote such integration. Florida, New Jersey, Oregon, Rhode Island, Vermont, and Washington, for example, have adopted state policies

requiring compact urban development and multimodal transportation systems that maximize transportation investments, minimize exurban sprawl, improve air and water quality and quality of life, facilitate affordable housing, and make possible a range of transportation choices. Another example is California, which recently approved a measure requiring local governments to develop "congestion management" plans to assure that new transportation capacity is not immediately absorbed by increased demand. Federal law needs to require the integration of federal transportation funding into these existing planning processes and to encourage the adoption of policies in other jurisdictions that would achieve the same level of integration.

Current federal law requires that transportation funding plans be formulated "with due consideration to comprehensive long-range land use plans." 23 U.S.C. § 134(a). There is, however, no requirement that such land use plans be prepared. Furthermore, the existing language requires only "due consideration" of land use plans. Solving the nation's rising transportation problems and protecting the public's investment in transportation infrastructure require a stronger approach.

We recommend that Congress enact surface transportation legislation that conditions the receipt of federal transportation funds on the development of state and local programs integrating transportation and land use policies. At a minimum, such programs should (1) specify land use designations, residential, commercial, and employment densities, and development designs in areas proposed for federally funded transportation projects; (2) demonstrate consistency of these designations, densities, and designs with the planned transportation investments; and (3) include a mechanism to ensure that local actions affecting land use and/or transportation conform to the designations, densities, and designs adopted in the local program.

Local flexibility on the method for developing such programs would be appropriate. For example, those states that already have comprehensive land use/transportation planning could rely primarily on their existing programs. Those states without existing land use/transportation planning programs would not have to adopt such programs, but could simply include integrated land use policies in the transportation plans already required by federal law.

The development of integrated land use/transportation programs would help ensure the achievement of local and state economic development, growth management, and natural resource conservation. The programs would also serve to protect the federal government's transportation investment by assuring that

capacity provided by new and expanded facilities would not be squandered on sprawl development.

In this era of increased fiscal restraint and environmental concern, the requirement that land use and transportation be integrated not only makes sense, but is imperative to the health and well-being of the nation. It is time to realize that transportation and land use are inexorably entwined and to start managing both areas in a coordinated manner.

2. Funding Flexibility. The federal government also needs to give local governments more flexibility in the use of federal transportation dollars. Past federal transportation policy has focused on the construction of new highways. This focus has been reflected in funding policies that, while providing substantial amounts of money for transportation improvements, severely restrict that money to new highway projects. The amount and restricted nature of this funding has encouraged states and local governments to propose new highway construction projects, even when other less costly and less destructive options are more appropriate and/or more effective at addressing local transportation problems.

We recommend that Congress enact surface transportation legislation that provides sufficient funding flexibility to state and local governments so that transportation problems will be solved by the most cost-effective and environmentally sound solutions, be they transit improvements, road improvements, or congestion management programs. Of course, such solutions would need to be selected within the context of the integrated transportation/land use programs discussed above. In addition, Congress should require the relaxation of federal project design standards to provide state and local governments with more flexibility to meet local environmental and cultural constraints.

Conclusion

The connection between land use and transportation is inseverable. To deal responsibly with either topic requires integrated analysis of the other. Failure to do so invariably leads to the development of policies that work at cross-purposes to each other, and inevitably results in increased traffic congestion, air and water pollution, and suburban sprawl.

Transportation systems and land use patterns can be planned in a manner that is complementary and mutually supportive. We believe the above recommendations promote that important national goal.

We would very much like to meet with you or members of your staff to discuss these issues further. Communications with the NGMLP can be directed to Keith Bartholomew, Staff Attorney, 1000 Friends of Oregon, 300 Willamette Building, 534 S.W. Third Ave., Portland, Oregon 97204; (503) 223-4396.

Thank you for your consideration.

Very truly yours,

Dana Beach
Executive Director
The South Carolina Coastal Conservation League
Charleston, South Carolina

Theodore Pankowski
Executive Director
Washington Environmental Council
Seattle, Washington

Everett B. Carson
Executive Director
Natural Resources Council of Maine
Augusta, Maine

Katharine M. Preston
Executive Director
1000 Friends of Massachusetts
Lincoln Center, Massachusetts

Robert T. Dennis
President
Piedmont Environmental Council
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Ingrid W. Reed
New Jersey Future
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Joanne R. Denworth
Executive Director
Pennsylvania Environmental Council
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Henry R. Richmond
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1000 Friends of Oregon
Portland, Oregon

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Montpelier, Vermont

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James F. Murley
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Tallahassee, Florida

Donna Wong
Executive Director
Hawaii's Thousand Friends
Kailua, Hawaii

Larry Orman
Executive Director
Greenbelt Alliance
San Francisco, California

Attachment A: Developments, Spring/Summer 1990
Attachment B: Deakin, "Prospect," from Landscape Architecture, July 1990

James L. Pline, P.E.
ENGINEERING CONSULTANT

2520 Fry Circle
Boise, Idaho 83704
208 - 375-3026

Senator Steven Symms
8th and Bannock
Boise, ID 83701
ATTN: Anglea Plott

August 14, 1990

RE: Senate Environment & Public Works Committee Hearing
Boise, Idaho, August 20, 1990

Dear Senator,

I appreciate your invitation to the above public hearing and would like to participate but I will be out of the country. Accordingly, I have provided the following comments to your request for input on specific issues and would ask that these comments be included with the written testimony.

It should be noted that the following statements are being made as a lifetime resident of Idaho with 35 years experience as a professional engineer in transportation. The comments are tempered by national involvement in transportation including my recent term (1989) as International President of the Institute of Transportation Engineers. However, the comments are my personal opinions and should not be construed to be related to previous employment or positions of the Institute. I have worked closely with the Cities and Counties in Idaho throughout my career and feel that I recognize some of their problems relative to federal transportation programs.

The following comments are provided relative to rural issues in the Federal-aid Highway Program as requested ;

1. Role of Federal, State & Local Governments: The Priority Primary Highway System appears to be a reasonable approach for federal involvement with a lesser involvement on other federal programs. However, there still needs to be extensive federal involvement in a National Highway Safety Program if the nation is going to make any headway in reducing deaths and injuries. Federal taxation on fuels should be minimal so the capabilities of the States and local governments are constrained in their efforts to raise revenue to meet local needs.

2. Design Specifications: The current AASHTO design requirements are satisfactory for new construction except for low volume roads. The AASHTO 3R guidelines are also satisfactory for the reconstruction, resurfacing and rehabilitation of existing roadways. It is requested that the design guidelines for low volume roads, those under 1000 AADT, be carefully reviewed for economical applicability and safety benefits. Recognizing that 65 to 70% of all public roadways fit the low volume roadway category any savings in improvement costs would result in more miles upgraded with the limited funds available.

3. Rural Safety Issues: The safety issues on local systems needs to be addressed with a program to make site specific spot improvements and overall safety enhancement of existing roadways. Small communities need revenue to make selected improvements addressing safety, congestion and to accomodate new development. Private funding should be a consideration to match federal or state funds for local communities. Rail-Highway crossings are still a major public interest but added funding for signalization protection is not an economical safety approach. Other approaches such as crossing closures, improved passive signing and train activated warning devices that are lower cost should be considered. A consolidated safety program is recommended since the safety issues and needs vary between geographical areas and the program would be more flexible to meet local needs.

4. Federal Fuel Tax: The increase of federal fuel taxes to offset deficits is strongly opposed because it deletes the "TRUST" from fuel revenues, significant economic impact on national transportation of goods and services, major impact on rural population with no alternative transportation and immediate constraint on revenue for state and local needs. Any federal tax increase should be moderate and designed to support federal transportation programs.

5. Apportionment Formulas; The apportionment formulas tend to benefit the more populus States where the revenue is collected and where they are experiencing extreme congestion problems. These formulas do not take into account the large federal land ownership in some States which limits land development, reduces the tax base and has an increasing recreational demand. The Forest Highway, Public Lands and National Park funding to offset this situation has been steadily decreasing while the needs have expanded.

6. Off-System Bridges: There is a major need to reconstruct a large number of the local bridges. Many of these bridges were built during the WPA period and have had minimal maintenance because of local funding constraints. Accordingly, they have outlived their useful life and need to be replaced as soon as possible. These same bridges have a low volume usage which relates to a low priority under limited resources,

7. Private Funding for Matching Federal Funds: The use of private funds on a State or local level should be an option for most federal programs with some control of benefits that could be granted the private donor.

8. Rural Federal Lands Highway Needs: The demand is increasing because of recreational needs while the funding is decreasing as noted in Item 5 above. Both Forest Highway and Public Lands funding must be increased to meet rural States revenue needs.

9. Other Issues: The highway safety problem in the U. S. is now noted as a major public health issue. We are killing and severely crippling more of our young people in traffic accidents than from any other cause. The accident rate has steadily declined the last decade but only because the number of miles of travel have increased. We are still killing about 45,000 people a year which are more deaths per year than we suffered in any of the armed conflicts this century. Should not highway safety get the same public outcry as Vietnam or Korea conflicts? The only way that the country will make a dramatic impact on this issue is another national safety initiative similar to the 1965 Highway Safety Act. That effort provided the emphasis to turn the safety problem around. We need a similar re-established program to cut the number of highway fatalities. The U. S. is the leading motorized nation in the world and accordingly, we should be leading the world in highway safety activities but we are not. Most transportation professionals and the Institute of Transportation Engineers consider safety as equal to the problems of traffic congestion at the local level. I would ask that you help us to make safety more of a national issue with national programs to address the problem.

Hopefully, the above comments will be useful in considering the new Federal-aid Highway Program. I intend to monitor the development of this legislation closely and will provide other comments in the future when it is appropriate.

Sincerely,

James L. Pline, P.E.

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inc.

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August 10, 1990

Senator Steve Symms
Chairman, Subcommittee on Water Resources
Transportation and Infrastructure
UNITED STATE SENATE
Hart Building, Room 509
Washington, DC 20510

Dear Senator Symms:

You recently wrote an acknowledgement of a letter I sent you and asked that I provide written testimony for your planned hearing of August 20th.

Senator Symms, I am not qualified to address the issue of Highway 95 or transportation in Idaho as a traffic engineer or with any specific expertise in highway design or demographic projections. Rather, my background is in real estate development.

After 40 years in southern California, (please overlook that I am not a native) I hope the members of your committee will believe I speak with a degree of experience. I can tell you, having lived through what happened in southern California, that Idaho, as a state and most specifically the Panhandle of Idaho, and certainly some other areas, are on the verge of the same type of growth experienced by numerous other western states.

I say that because my family was vitally involved in the development of Orange County, San Bernardino County, and Riverside County in southern California. I can say that because my family and our company, Villelli Enterprises, did a great deal to further that development and also a great deal to try to convince people to plan infrastructure for that development. You need to go to any of the cities in the western United States that have experienced tremendous booms, and you will see how miserable the planning has been.

Idaho, as I mentioned to you in my last letter, is in a unique position to be one of the very few states in our country, perhaps the only state, to manage growth properly. Every other state and geographical location that I have seen or been in has mismanaged that growth and frankly, the Panhandle of Idaho may very well be on the verge of mismanagement unless you and others in your position are capable of having the foresight that far exceeds those of your predecessors in Seattle, Portland, Los Angeles, San Diego, San Jose, Denver, Phoenix, etc.

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HCR 61, Box 169, Bonners Ferry, Idaho 83805-1278 / (208) 267-7625 / (208) 267-5595 • 5966 County Road 234, Durango, Colorado 81301 / (303) 247-2713

Again, I do not have the expertise in transportation, but I believe that I have probably lived through more growth and development in the real estate field than perhaps any other permanent resident here in the State of Idaho. I can tell you from that background and my current observations that the time has come for some very dynamic actions on your part.

I spoke not long ago with George Neumayer who was then in charge of transportation for the state. That was shortly after listening to a speech by Mr. Neumayer regarding Highway 95 and the amount of dollars to be spent on its improvements. Those are the same dollars you mentioned in your letter.

Senator Symms, I reviewed those numbers in great detail, and I have spokane to Mr. Neumayer personally. His opinion was the same as mine and that is those amounts will probably be multiplied by ten before they are expended and all of the improvements implemented. We are probably therefore looking at a billion dollars worth of expenditures, and we will end up with a highway that will probably be more outdated than it is today.

I met with Governor Andrus on this issue and explained to him my reasoning, and I have talked to the Department of Commerce and explained to them my reasoning, and I can tell you that I believe that both agree with me. These are some plain and simple facts from someone who has lived through what is about to happen in north Idaho. If you would check with the various Boards of Realtors from Coeur d'Alene north, you will find the most phenomenal sales pattern in the history of the state. If you will check with the realtors and the Chamber of Commerce in Spokane, you will find the most rapid growth and progress in the history of that community. (Because of that city's influence on our state, many people call it the largest city in Idaho.) If you also consider the tremendous growth occurring on the western side of the Cascades and the overflow from that growth that is now rippling our way, hopefully you, and the members of your committee will start to see a trend.

Senator Symms, on top of that, add what is happening in Calgary and Edmonton; both tremendous growth cities. You may question what that has to do with north Idaho? Fifteen minutes of traveling on Highway 95, will show you the answer. The license plates speak very loud and clear, and we need to listen to them.

I mention these items, because they are not taken into consideration sufficiently in the Idaho Transportation Department's projections for traffic flow.

The most important factor, which is the tremendous influx of new people into the Panhandle of north Idaho, is also not considered properly. This influx is causing a geometric, not an arithmetic progression in traffic flow. According to the Department of Commerce, 54% of all of the people who move to Idaho have visitors every year from out of state. That may be one visitor; it may be 100 visitors. By my own personal experience, I have more than 150 visitors per year to my residence. Those are visitors from out of the state of Idaho.

Obviously, I may be the exception. But let us assume that the population of north Idaho continues to grow at the phenomenal rate experienced in the last few months. (I believe that growth rate will be even greater). Then, multiply that growth rate by a factor and perhaps the factor is 12%, or the factor may be 10%, or perhaps the factor is 30%. In any event, envision a southern or central California family relocated in north Idaho. (Which, by the way, I can literally give you thousands examples in the last 12 months). Knowing the state as well as you do, ask yourself if that relocated family from say Fresno, California, has family and friends .... will they come to north Idaho, a beautiful vacation land to visit next year, or will this family go back to Fresno? I think the answer is abundantly clear.

If visitors do come here to north Idaho to see their newly transplanted relatives and friends, will they come and sit in their friend's house, or will they go out and enjoy the wonderful, lush green beauty of north Idaho? Again, I believe the answer is abundantly clear. Does this put more automobiles on our highways? **You bet it does!**

What is the factor by which we multiply that growth? Is it 1.2 times the population growth; is it 1.3 times that growth, or perhaps is it more?

Senator Symms, I also feel your committee needs to take into consideration the type of traffic on the highway. I am sure your committee will take notice the tremendous increase in truck traffic, and I hope it will also take note of the tremendous increase in recreation vehicle traffic. And while you are taking into consideration the RV and truck traffic, please remember to use the multiplication factor for those vehicles. What that factor is, I am not a traffic expert and can't say, but I know how much more room a recreational vehicle takes up on the highway than a plain automobile.

I also know RV's and trucks need additional time and area for acceleration and deceleration.

Again, what type of a factor that is, I am not sure but it needs to be considered.

If you would like to sit in my office and look out the window and count cars with me, or sit in my home and count cars, I am sure you will do as good a job as the little black electric counters. The type vehicles, the speed of those vehicles, and all of the other multiplication factors that I mentioned above need to be taken into consideration.

Senator Symms, I probably have the highest assessed value for a residential dwelling in the State of Idaho on Highway 95. I don't say that to brag, but I would like you to know that what I would propose for Highway 95 will probably negatively impact me and the valuation of my home more than anyone else in this state. I still think it is necessary, and I would still propose it. That is that we must immediately develop a four-lane road and, in fact, a four-lane may be too small by the time we watch government plod along.

In talking to Mr. Neumayer, he indicated to me that privately, he concurred 100% and felt that we immediately need a four-lane. He did say that perhaps the planning for that may come after the turn of the century. Senator Symms, the time for planning a four-lane is almost past; the time for <u>having</u> a four-lane is here.

If we started tomorrow morning with a plan for a four-lane expressway, or freeway, or whatever you would like to call it for Highway 95, we may be in time.

I also believe that I know the way to finance the development of that project. I believe it is doable; I believe it is immediately doable, and if it is not accomplished, then Idaho will go down in history, along with all of the other western states, as another division of government that planned **TOO LITTLE, TOO LATE.**

I would implore you and the members of your committee to not waste any additional time. I realize the people in your political situation obviously have to worry about funds but in some instances the need is so great that it becomes incumbent to lead with determination and spirit and courage, and the dollars will follow.

Senator Steve Symms, Chairman
Subcommittee on Water Resources
Transportation and Infrastructure
Page 5

As I mentioned to you, I do have an idea that I think would work for the development of the four-lane and that has to do with a development of pay-for-use highway similar to those that are extremely successful in other parts of the world and in other parts of our country.

In fact, I believe we could do such a highway that would not only pay for itself but make the citizens of Idaho; both new and old, profit from that highway not only in quality in life but also economically.

As I indicated to you in my last letter if I can be of service to you, or your committee, or anyone in the State of Idaho, I would happily volunteer my time as it is available. I have put together numerous other facts about the development of north Idaho that the Idaho Transportation Department. We can, of course, go into much greater detail but that can happen at a later date.

Senator Symms, as I mentioned in my recent letter, you will not stop progress. You can; however, insure it takes place properly. The Idaho you have experienced all your life and that I have enjoyed for 13 years will obviously change. But, it does not have to be destroyed; it can be protected while being enjoyed by others. Idaho is not our state; no different than California was my state. It is for everyone. You have a truly unique opportunity to protect and enhance Idaho. If my five boys could advise you, they would say "Go for it!"

Again, if I can be of any assistance, please don't hesitate to contact me.

Sincerely,

Dick Villelli

Richard A. Villelli

RAV/ja

c/ Cecil D. Andrus, Governor
STATE OF IDAHO

James V. Hawkins, Director
DEPARTMENT OF COMMERCE/STATE OF IDAHO

WRITTEN STATEMENT

prepared in response to request for written comments
pursuant to the August 20, 1990 hearing in Boise, Idaho

concerning

Rural issues for the reauthorization of the
Federal-aid highway program

from

Mr. Vern E. Wagar, P.E.

Board member of State of Washington Highway User's Federation

and

Executive Director, Washington State County Road
Administration Board

May I first reiterate my appreciation for this opportunity to provide commentary concerning rural issues related to the reauthorization of the Federal-aid highway act. As a board member of the Washington State Highway User's Federation and as the Executive Director of the Washington State County Road Administration Board, I do feel that I have good understanding and appreciation of the issues that will be debated.

1. Concerning the role of Federal, State and local governments in the Federal-aid highway program in the post-Interstate era:

    * It is critical that the reauthorization continue to have a significant element providing assistance to local governments for maintaining an adequate highway transportation network.

    * A major component of transportation federal aid to rural State and local governments has been the Federal Aid Secondary (FAS) program. The program, regardless of the name, should be at least doubled in size and continued.

    * There should be a continued emphasis on post-expenditure audit of federal funds by State and local governments to assure 'proper' expenditures of federal aid funds.

    * Certainly within the State of Washington, the Certification Acceptance (CA) process has been successful in expediting the efficient use of Federal-aid highway funds both to the State and to qualified local governments. This process should be maintained.

2. Concerning design specifications on rural roads:

    * The Federal Highway Administration (FHWA) should require each state to develop design standards for rural roads with input from local highway officials and require certification that Federally funded projects meet those standards.

3. Concerning rural road safety issues (small community programs, rail-highway crossings, consolidation of safety categories):

    * Consideration of safety elements must remain integral with Federal-aid project design and construction.

    * Funding to address identified safety hazards should be continued and expanded. Special purpose safety programs could be consolidated into a single safety category with special consideration to matching ratios to encourage national road safety improvement.

    * Safety research funding should continue and expand; a national highway safety

data center should be established.

4. Concerning the impact of a Federal fuel tax increase on rural areas:

   * Any increase must be dedicated directly for transportation purposes and there must be equity toward the rural element in any reauthorization act. The revitalization of America's rural counties, including the agricultural, logging, mining and tourism industries is of primary importance.

5. Concerning the apportionment formulas and the impact of change in the matching ratios on rural areas:

   * Apportionment to the States should guarantee at least a 90% return of the amount contributed.

   * Matching ratios for the several federal-aid programs should range from not less than 75% to 90%.

   * Matching ratios within states should continue to consider the amounts of federal lands contained therein.

   * There should be consideration for allowing a smaller local match for rural area programs since rural land values do not allow for local generation of funds in the same magnitude as do urban land values.

6. Concerning off-system bridges and timber bridges:

   * The Bridge Replacement program, addressing both on and off-system bridges, should continue as a separate program.

   * The Bridge Replacement program should be increased to provide funding for planning and inspection in addition to the existing reconstruction, rehabilitation and replacement funding.

7. Concerning private donations of money or in kind contributions in lieu of a local cash match for federal-aid highway projects:

   * Private participation and in-kind contributions should be recognized as at least equal in quality to local cash match. Methods should be explored to encourage this sort of 'partnership' in developing Federal-aid projects.

8. Concerning advantages/disadvantages of increased truck sizes and weights for rural roads/rural communities:

   * It has been well documented that increased truck sizes and weights have had significant adverse impacts on all road systems. A small increase in size and weight has a disproportionate effect on pavement life that is not offset by

either the present system of weight fees or by increased profitability to the truck operators. If the tendency to permit larger loads and weights to operate on the public road system continues, some method must be found to equitably reimburse highway agencies such that trucks pay their fair share.

9. Concerning rural highway needs on Federal lands:

   * Both the Forest Highway and Public Lands Highway funding should be continued with increased funding as part of the overall Federal participation in rural road system improvements.

10. Concerning rural agricultural/industry transportation needs:

   * Rural agriculture and industry, which are primarily served by secondary and local roads, are of vital interest to a viable national economy and a competitive international market. The nation's rural secondary highways have, for the last thirty years, received the least attention of any system. Federal funding for construction and rehabilitation of highways and bridges must grow substantially to insure an economically sound America.

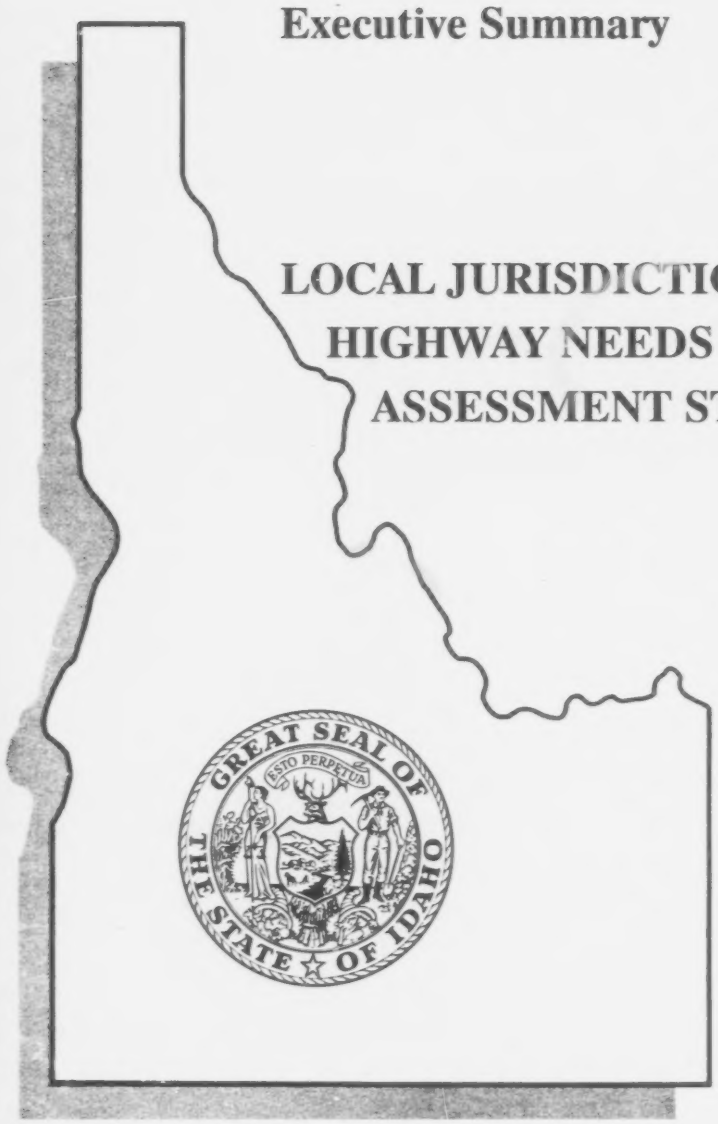
11. Concerning other issues of concern regarding rural highways;

   * The practice of impounding portions of the Highway Trust Fund to present a better national budget picture must end. The unfulfilled, documented national need to effectively utilize all the Trust Fund continues to grow. Artificial barriers and delays only increases the problems and the costs to correct existing highway deficiencies.

   * The Highway Trust Fund must be removed from the Unified Federal Budget and treated independently.

Executive Summary

LOCAL JURISDICTION HIGHWAY NEEDS ASSESSMENT STUDY



WILBUR SMITH ASSOCIATES
in association with
BELL-WALKER ENGINEERS

EXECUTIVE SUMMARY

Idaho Local Highway Needs Assessment Study

From farm-to-market roads to Interstate highways, Idaho's highways, roads and streets are vital to the State's economy. The State's agriculture, forestry, business and commerce, tourism and recreation industries all are dependent on good highways. For the first time, a scientifically derived estimate has been developed which measures the contribution roads make to Idaho's economy.

Beyond doubt, a greater effort needs to be made to maintain the highways, roads and streets in Idaho. Now, for the first time, a comprehensive analysis has been conducted that measures the backlog of highway needs existing in 1989 and forecasts the future needs that will occur through 1994.

A thorough investigation was made of current highway financing arrangements and possible alternative financing measures were examined. The impact of federal operations on state and local roads was studied and the effectiveness of multiple units of governments providing highway maintenance was reviewed.

As charged by the Idaho Legislature, the Local Highway Needs Assessment Council conducted a thorough review of the numerous issues affecting Idaho's highways. These data have been reported to the Idaho Transportation Board. Results of the study are presented in this Executive Summary Report, as well as a Final Report, Economic Impact Report, Economic Impact Brochure and a Compilation of Interim Study Documents.

Local Highway Needs Assessment Council

The Forty-eighth Legislature created the Local Highway Needs Assessment Council (LHNAC) with passage of House Bill 501. This eight member advisory body to the Idaho Transportation Board is made up of two members each representing the cities, counties, highway districts and the Idaho Transportation Department.

After carefully evaluating the charges set forth in House Bill 501, the Council determined there were four major issues to be evaluated:

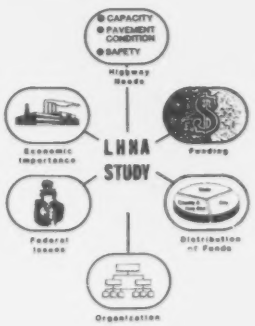
I - Economic Impact of Highways in Idaho

II - Highway Needs in Idaho in Comparison to Revenues

III - Impact of Federal Operations on Idaho's Highways

IV - Examination of Local Organizational Features

The Council began its work in 1986. In 1987, the Council conducted a competitive selection process which resulted in the retention of Wilbur Smith Associates, a prominent international consulting firm, to assist in performance of Phase I. The result of these efforts was identification of the issues that needed to be addressed and a work program whereby this could be accomplished. Subsequently, a second competitive selection process was undertaken and Wilbur Smith Associates was retained to undertake Phase II of the study. In both Phase I and Phase II, Wilbur Smith Associates was ably assisted by Bell-Walker Engineers Inc., headquartered in Boise.



The Council also has been assisted by the Idaho Transportation Department which has served as contract administrators. Further, the Department has provided technical support and data for various study activities.

Clearly, it is not possible to study local jurisdiction roads and streets without also examining state highways. State and local jurisdiction highways form a network which collectively serve the motor vehicle travel needs of Idaho's people and the State's economy. Therefore, the analyses performed by the Council encompasses all highways, roads and streets administered by cities, counties, highway districts and the State government. Roads under the jurisdiction of the Federal government in Idaho were addressed only insofar as there are certain funding issues associated with these roads.

I - Economic Impact of Highways

Good highways are of economic value to every Idaho resident. The Local Highway Needs Assessment Council examined Idaho's highways to estimate the contribution which highways make to the State's economy. Detailed results are contained in a report entitled *The Economic Impact of Roads on the Idaho Economy* (by Wilbur Smith Associates) and are summarized below.

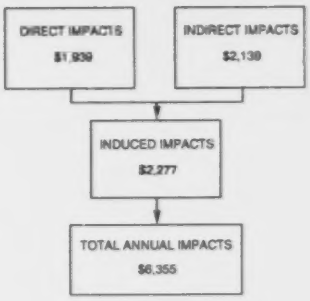
The analyses found that highways in Idaho generate $6.4 billion annually in economic activity, $2.2 billion annually in earnings, and 150,000 Idaho jobs. That translates into an annual earnings impact of $2,200 per person in Idaho.

What is "Economic Impact"?

"Economic Impact" is a measure of the effect which highways have on the economy. Three types of impacts are included:

1. Direct Impacts: created by the provision of highways and motor vehicles.
2. Indirect Impacts: created by the use of highways.
3. Induced Impacts: the "multiplier effect" created by the respending of direct and indirect expenditures.

ANNUAL ECONOMIC ACTIVITY IMPACTS OF IDAHO HIGHWAYS ($ Millions)



Impacts of Local Jurisdiction Highways

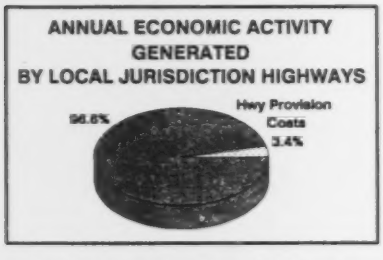
Highways in Idaho are administered by either state or local jurisdictions. "Local Jurisdiction Highways" are those that are maintained and administered by city, county and highway district jurisdictions. The economic impacts computed in these analyses include only the value of the financial transactions associated with providing highways and with highway use, and their multiplier effects.

- Of the $6.4 billion of economic activity generated by highways in Idaho, $2.2 billion, or 35 percent, is attributed to local jurisdiction highways.
- Each $1 spent on local jurisdiction highway transportation (direct and indirect) yields an additional $0.54 of annual economic activity in Idaho.
- Each $100 million spent on local jurisdiction highways generates 3,586 jobs for Idaho residents.
- Of the $13.2 billion Idaho Gross State Product, $1.2 billion (9 percent) is generated by the provision, use and induced effect of local jurisdiction highways.

The construction, maintenance and operation of highways at the local jurisdiction level cost $76 million annually. The $76 million spent on local highway provision enables economic benefits of:

- $625 million in motor vehicles and insurance
- $484 million in servicing motor vehicles
- $262 million in travel expenditures
- $787 million in induced impacts

The local jurisdiction investments in highways creates total annual economic activity of $2,234 million in the State. The highway provision costs are a tiny percent (3.4%) of the benefits derived.



II - Highway Needs and Finance

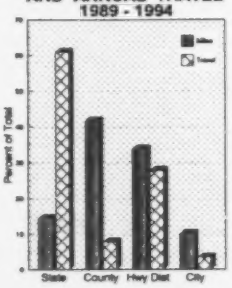
A detailed study was conducted to define the characteristics of the highway system, its current and forecast needs, the highway finances available to each jurisdictional level, and alternative measures to provide additional highway funding.

System Characteristics

As noted, there are four jurisdictional levels which have responsibility for Idaho's non-federal roads and streets. The characteristics of highways vary significantly by jurisdictional level.

The State is responsible for 4,931 miles of highways, most of which are arterial routes, plus some collector roads. The State system serves the principal traffic flows, particularly intercity travel. While State highways comprise only 14 percent of all non-federal highways in Idaho, they carry 61 percent of all vehicle miles of travel (VMT). The vast majority of the State system is paved.

PERCENT OF ROAD MILEAGE
AND ANNUAL TRAVEL
1989 - 1994



Counties have responsibility for 14,183 miles of highways, 99 percent of which are in rural areas. A significant portion (24 percent) are collector roads while 10,755 miles are local access roads serving residences, farms, etc. Only 33 percent of the county roads are paved. Although counties are responsible for 42 percent of all highways, these roads carry only 8 percent of all travel.

Highway districts have responsibility for 11,511 miles of roads and streets, including city streets in Ada County and the City of Sandpoint. Some 1,191 miles of highway district facilities are in urban areas. Arterials and collectors comprise 2,962 miles, or 26 percent of the total with the remainder being local access roads. Paved highways account for 48 percent of all highway district facilities. Mileage under the jurisdiction of highway districts accounts for 34 percent of all non-federal highways and carries 28 percent of all traffic.

Cities are responsible for 3,422 miles of streets. Some of this mileage is classified as arterials and collectors (528 miles, or 18 percent). Some 69 percent of streets under city jurisdiction are paved. Streets under city jurisdiction comprise 10 percent of all mileage in the State and serve 3 percent of all travel.

Current Conditions

Many of the highways under State and local jurisdiction are deficient, either functionally, structurally or in terms of safety. As of the beginning of 1989, the following conditions existed:

- 137 miles of highways had congested traffic conditions;
- 3,133 miles of paved highways were in poor surface condition;
- 2,234 miles of gravel/dirt roads served traffic which warranted a paved road;
- 8,200 miles of highways had narrow lanes and poor alignment; and,
- 1,413 bridges had significant structural and/or functional deficiencies (27% of all bridges).

Highway Needs

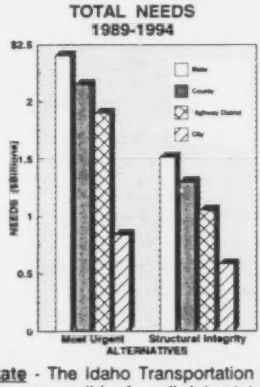
Estimates of highway needs were developed for existing deficiencies (i.e., backlog needs) and for future deficiencies for the six-year period 1989-1994. Needs estimates indicated that, of necessity, Idaho will have to make some hard choices about the type of highway system that can be achieved. Certainly, the large backlog of needs means it will cost far too much to achieve a system in which accepted standards of service and condition are realized by 1994. Accordingly, alternative needs estimates were determined based on two sets of conditions as follows:

Most Urgent Needs - Includes costs to restore and retain the structural integrity of roadways and bridges so that pavements do not fail and bridges do not collapse. Also includes only the most urgent capacity and safety needs and paving selected roads which currently are not paved. Does not meet established standards and would result in reduced overall conditions.

Structural Integrity Needs - Includes only those costs to restore and retain the structural integrity of roadways and bridges. Does not include any capacity or safety improvements to overcome existing deficiencies or to accommodate future development and traffic growth. Does not include any projects to pave roads which currently are not paved.

These conditions are well below the accepted standards and practices of the Idaho Transportation Department and other highway agencies. Consequently, they do not constitute a recommendation. Instead, they provide a yardstick from which needs measurements were made as part of these analyses. These two needs alternatives help establish the magnitude of the highway problems which Idaho faces. Obviously, they do not include all road and street projects required to provide completely adequate facilities.

For all four jurisdiction levels, Most Urgent Needs for the 1989-1994 period total $7.30 billion. Structural Integrity Needs amount to $4.46 billion, or only 62 percent of Most Urgent Needs. This reduction is attributable to omitting all congestion and safety needs as well as not paving any of Idaho's 16,643 miles of unpaved roads (49 percent of all non-federal highways in the State are unpaved).



State - The Idaho Transportation Department (ITD) is responsible for all Interstate highways, the vast majority of all arterial highways (90 percent statewide), plus some collector roads. The Most Urgent Needs on highways administered by ITD total $2.41 billion, of which 52 percent constitute backlog needs, i.e., problems existing in 1989 that should have been addressed previously but were

deferred due to the shortage of funds. To satisfy only Structural Integrity Needs will require $1.52 billion, of which 42 percent are backlog needs.

Local Jurisdictions - With local jurisdictions being responsible for almost 86 percent of all non-federal highways, it is not surprising that, in aggregate, local jurisdiction needs exceed those on the state system. The Most Urgent Needs on highways administered by local jurisdictions total $4.89 billion of which 56 percent are backlog needs. For local jurisdictions, Structural Integrity Needs total $2.94 billion with 36 percent being backlog needs.

County - While most of the roads on the county system are local access roads, thereby carrying relatively low traffic volumes, the many miles of such facilities results in substantial needs. The Most Urgent Needs on the county system total $2.15 billion, only $255 million less than comparable needs on the state system. Structural Integrity Needs for county roads total $1.30 billion.

Highway Districts - While Highway Districts have responsibility for substantial mileage in rural areas, they also are responsible for streets in various cities, including Boise, the State's largest city. The Most Urgent Needs on Highway District facilities total $1.90 billion. Structural Integrity Needs amount to $1.05 billion.

Cities - The Most Urgent Needs in those cities where city governments administer street programs total $0.84 billion. Some $0.58 billion in Structural Integrity Needs were identified for cities with street responsibilities.

Highway Finance

Idaho is similar to other states regarding the sources of funding for highways. Both highway user and non-user (general public) sources are used in recognition that both groups benefit from highways and place demands upon highway system expenditures.

Highway User Revenues - There are two principal sources of highway user revenues, viz., federal- aid and state user taxes which accrue to the Highway Distribution Account (HDA).

Federal User Revenues - Federal-aid for highways derives from the U.S. Highway Trust Fund which receives revenues from federal user taxes such as the 9-cent per gallon tax imposed on gasoline. The majority of these funds are apportioned to the states on the basis of various distribution formulas. Over the 1989-1994 study period, Idaho is expected to receive $518.9 million of federal highway funds, accounting for almost 29 percent of total funds for the State's roads and streets. Of this amount, $43.5 million will be made available for use by local governments.

Idaho User Revenues - The State also imposes taxes on highway users, with net funds being deposited in the Highway Distribution Account. The major state user taxes are the fuel taxes, vehicle registration fees, and gross weight-distance tax. HDA funds are distributed to Law Enforcement (6 percent), the State Highway Account (61 2/3 percent until Fiscal Year 1991, then changing to 59.8 percent) and local governments (32 1/3 percent, changing to 34.2 percent in 1991). The amount of HDA funds going to highway programs from 1989-1994 is estimated to total $977.8 million, thus providing 54 percent of all highway funds.

Idaho's 18 cents per gallon gasoline tax is equalled or exceeded by the gas tax in 20 other states (as of December 1989). In addition, some states add on a sales tax to gasoline to generate additional funds and provide an inflation-responsive tax element. Despite increases in Idaho's gas tax over the years, the purchasing power of these revenues has declined over time. The 18-cents tax today is equivalent in purchasing power to about a 5-cents tax in 1967; or less than the 6-cents tax that was in effect at that time. In fact, since 1975 the effective tax rate has been less than it was in 1967. Periodic tax rate increases by the Legislature have not been sufficient to retain the effective tax rate at the level which existed prior to 1975.

Non-User Revenues - The third major source of funding for highways are property taxes and general fund appropriations which are generated by local governments. Also, local governments receive distributions of State sales tax revenues and a portion of these funds are applied to highways. Non-user funds are estimated to total $320.4 million in the 1989-1994 period and to account for almost 18 percent of all highway funds.

Funding by Jurisdictional Level - Six-year highway funds for the four jurisdictional levels are estimated in the accompanying table.

HIGHWAY USER AND NON-USER FUNDING 1989-1994

JURISDICTION	HIGHWAY USER REVENUES Federal	HIGHWAY USER REVENUES State	NON-USER REVENUES	TOTAL	% OF TOTAL
	($ Millions)				
State	$475.4	$625.0	–	$1,100.4	60.6
County	11.8	117.8	$68.3	197.8	10.9
Hwy Dist	16.6	155.6	161.2	333.5	18.3
City	15.0	79.4*	90.9	185.3	10.2
TOTAL	$518.9	$977.8	$320.4	$1,817.0	100.0
% of Total	28.6	53.8	17.6	100.0	–

* Accounts for pass through of HDA funds from cities to the Ada County and Sandpoint Highway Districts.

NOTE: Details may not add to totals due to rounding.

Highway Finance Dilemma

These analyses have documented the magnitude of the highway finance dilemma that has been readily apparent to many observers for some time. Highway finance has been inadequate in the past, thus resulting in a significant backlog of highway needs. In fact, in the absence of significant new highway finance initiatives, Idaho can expect the backlog of needs to grow and for highway system performance (operational, structural and safety conditions) to continue to decline.

Revenues from existing sources, amounting to $1.82 billion between 1989 and 1994, fall well short of the Most Urgent Needs of $7.30 billion. In fact, these revenues will finance only 41 percent of Structural Integrity Needs. The largest revenue shortfalls occur on the county system ($1.95 billion for Most Urgent Needs and $1.11 billion for Structural Integrity Needs). Highway districts have the second largest revenue shortfalls ($1.57 billion for Most Urgent Needs and $0.72 billion for Structural Integrity Needs). Next in magnitude are revenue shortfalls for the state system ($1.31 billion for Most Urgent Needs and $0.42 billion for Structural Integrity Needs). The shortfall for cities (excluding those cities whose street programs are administered by highway districts) amounts to $0.66 billion for Most Urgent Needs and $0.40 billion for Structural Integrity Needs.

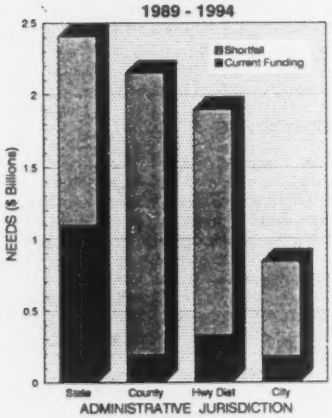
Cost Responsibilities

As noted, revenues for roads and streets derive from both highway user and non-user sources. This division of responsibilities is a fundamental principle in highway finance in Idaho and across the nation. This principle recognizes that non-users of the highway system benefit because highways provide public access to property and contribute to the total economy. Highway users benefit from the transportation function of highways. The distribution of user and non-user benefits differs significantly for the different types of facilities. Interstate highways and other arterial routes provide important mobility functions while non-user benefits are of secondary importance for these facilities. On the other hand, local access roads carry relatively light traffic and principally serve abutting properties. Because of light traffic volumes, these roads generate very little highway user revenues.

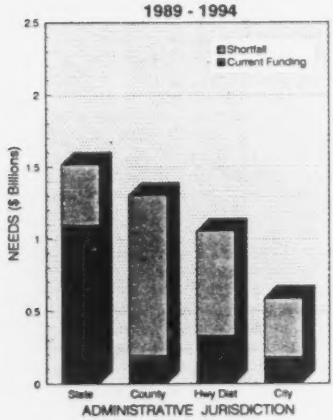
An analysis was performed to determine the shares of total needs which should be financed by highway user and non-user revenue sources. This analysis utilized the Earnings-Credit Method which is the most universally accepted approach to user/non-user cost allocation. In reviewing the state-of-the-art in highway cost allocation, the Federal Government concluded in the *State Highway Cost Allocation Guide* that the "... *earnings-credit was the method employed by all States that distinguished between user and non-user shares.*"

Highway User Cost Responsibilities - Assignments of cost responsibilities recognize that arterial highways are provided to serve major traffic flows, with access to properties being a subordinate function for these facilities. Accordingly, road users should be responsible for at least a major share of the costs for arterials, plus equitable shares of the costs for collector and land access facilities which have less prominent travel functions.

MOST URGENT NEEDS VS. REVENUES 1989 - 1994



STRUCTURAL INTEGRITY NEEDS VS. REVENUES 1989 - 1994



Based on an analysis of Most Urgent Needs, the highway user cost responsibility amounts to $4.28 billion of the $7.30 billion in needs, or 59 percent. The forecasted $1.50 billion in highway user revenues from existing sources falls short by $2.78 billion, i.e., only 35 percent of the highway user responsibility will be funded in the absence of increases in highway user revenues. Obviously, revenue shortfalls are less when compared to cost responsibilities for Structural Integrity Needs. Highway user revenues from current sources will cover 69 percent of their $2.17 billion cost responsibility.

Non-User Cost Responsibilities - Cost responsibility determinations recognize that land access roads and streets play a minor role in serving traffic flows. Instead, these facilities primarily provide a means of access to farms, houses, etc. Highway user tax earnings from travel on land access roads are very small and cover only a minor portion of the costs of such roads and streets. The major responsibility for such facilities equitably is assignable to non-user revenue sources such as property taxes or general sales taxes.

For Most Urgent Needs, the non-user cost responsibility is $3.02 billion, or 41 percent of total needs. However, study forecasts indicate a very substantial shortfall in non-user revenues. The $0.32 billion in non-user revenues will cover only 11 percent of the non-user cost responsibility for Most Urgent Needs. In the case of Structural Integrity Needs, non-user revenues will fund only 14 percent of the $2.31 billion non-user cost responsibility.

Highway Finance Alternatives

It is clear that Idaho must make a hard choice to either allow the quality of its highway systems to decline or to increase the funds applied to highways. There are a number of finance alternatives that can be considered and the principal choices are shown in the accompanying table.

Given the magnitude of revenue shortfalls, it is not practical that any single measure will be adequate. Instead, a package of finance measures are needed if further deterioration of the highway system is to be halted (or slowed).

Study analyses clearly indicate that Idaho has placed too little emphasis on non-user revenues to pay for the non-user share of highway needs. In the past, very limited amounts of property tax and general fund appropriations have been applied to the needs of local access roads and streets. Additionally, highway user tax revenues generated by these facilities are grossly inadequate to cover their needs.

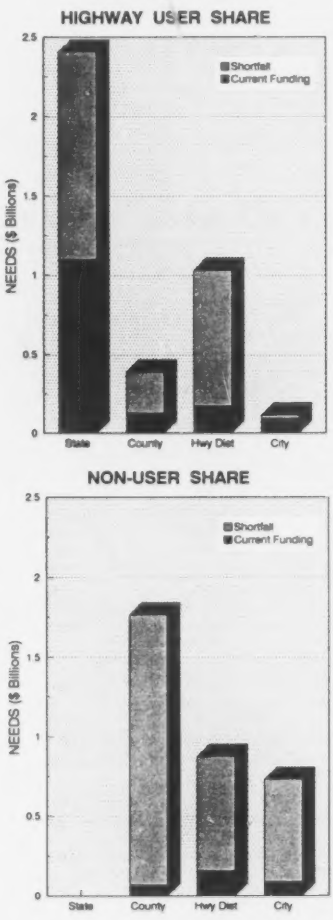
If past trends continue, non-user revenues will provide only 17.6 percent of total highway funds in the 1989-1994 period. However, non-user sources should provide 41.4 percent of the funding for Most Urgent Needs, based upon cost responsibilities established by state-of-the-art analytical methodologies.

Consequently, a two-pronged approach is logical in view of existing highway finance structures and the relative cost responsibilities of highway users and non-user sources. Trying to finance the shortfall by concentrating upon only one of these two areas will not be as effective or equitable as increasing both highway user and non-user revenues.

The Federal Government currently is developing a National Transportation Policy which is expected to influence heavily the forthcoming 1991 Surface Transportation Assistance Act. Federal officials already are making clear that states and local governments *"... must look for new and creative funding mechanisms ... you can't plan on any new money from the federal government ... more public-private partnerships and more fully private initiatives will help...."* Further, there is much to indicate that future federal programs will place major emphasis on a *"highway system of national significance"* and that the non-federal share of transportation funding will have to increase.

The magnitude of Idaho's highway needs, the shortfalls in both highway user and non-user revenues, the likely direction of new federal programs, and the major dependence of the State on highway transportation all forcibly indicate that strong initiatives are required if the State is to go forward rather than backward in its transportation program.

FUNDING RESPONSIBILITY VS. ACTUAL FUNDING 1989 - 1994 Most Urgent Needs



Distribution of Highway User Revenues

Investigations were made regarding four aspects of highway user revenue distribution, viz., (1) the

CANDIDATE HIGHWAY REVENUE MEASURES AND REVENUE POTENTIALS

REVENUE MEASURE	6-YEAR ADDITIONAL REVENUE (In $ Millions)
Motor Fuel Taxes	
1. Increase the fuel tax rate by 5 cents/gal.	178.1
2. Adopt an ad valorem gas tax (18% assuming 5%/year increase in price of fuel)	125.9
3. Abolish the 4 cent Gasohol tax exemption	15.0
4. Institute a sales tax on motor fuels (5% assuming 5%/year increase in price of fuel)	214.9
5. Extend authority for a local option motor fuel tax (5 cents/gal.)	178.1
6. Adopt an oil company franchise tax (5 cents/gal.)	178.1
Registration Fees	
7. Increase rates for basic vehicle registration fees (double current fees)	175.6
8. Increase other registration fees, trip permits, etc. (double current fees)	47.3
Other User Taxes	
9. Increase drivers license fees (double current fees)	13.3
10. Increase weight distance tax (double current fees)	162.5
11. Institute property taxes on motor vehicles (national average of $94 for automobiles and $423 for trucks)	443.2
Non-User Revenue Measures	
12. Dedicate a portion (5%) of the total state sales tax revenues for use on local jurisdiction highways	111.0
13. Dedicate the sales tax on motor vehicles and motor vehicle accessories to local jurisdiction highways	150.0
14. Add a 1/2 percent increment to the general sales tax for local jurisdiction highways	220.9
15. Institute a severance tax on non-fuel, mineral production (2%)	39.0
16. Increase local property taxes by 2 mills and apply to local jurisdiction highways	300.6
17. Institute a highway dedicated local option sales tax (1/2 percent)	220.9
18. Dedicate a portion of corporate income tax revenue (5%)	22.9
19. Encourage private participation in transportation projects	Unknown

division of HDA funds between the state and local jurisdictions, (2) the distribution between cities and counties/highway districts, (3) the formula for distributions to individual cities, and (4) the formula for distributions to individual counties and highway districts.

State vs. Local Jurisdiction Distributions - Of the $518.9 million in federal-aid for Idaho's highways, 92 percent is forecast to be spent on the state system. Of the state generated highway user funds remaining after deduction of 6 percent of HDA funds for Law Enforcement, 63.9 percent will be allocated to the state system. This takes into account the change in the distribution percentage to take place beginning Fiscal Year 1991. Thus, 73.5 percent of all highway user revenues will go to state highway programs.

Based on user cost responsibilities for the Most Urgent Needs, state highways should get 64.3 percent of all highway user taxes. Based on Structural Integrity Needs, this share increases to 66.8 percent.

It should be noted that highway user revenues from current sources are inadequate to meet user cost responsibilities on the state system and each of the three local jurisdictional levels. Consequently, there is cause to argue that the adopted HDA formula for state versus local jurisdictions should continue until such time as there is an acceptable match of user revenues with user cost responsibilities on the state system.

On the other hand, it probably would be more equitable to attempt balancing of HDA distributions with cost responsibilities as new revenues are applied to the state and local highway systems. That is, new highway user revenues could be allocated so that the distribution more closely matches user cost responsibilities. However, it makes little sense to change the adopted distribution formula as it applies to current highway user taxes if all this does is redistribute the shortfalls in highway user revenues. Instead, a hold harmless arrangement regarding existing sources seems more prudent.

If a hold harmless approach is adopted, distributions of new highway user revenues should be allocated 59.4 percent to the state system and 40.6 percent to local jurisdictions based on highway user cost responsibilities. This will provide a more equitable distribution based on cost responsibiiity for the Most Urgent Needs. The State proportion would drop to 51.9 percent for the Structural Integrity Needs. Clearly, a choice has to be made as to which level of highway system performance is to be aimed for in order to establish the actual percentage allocation to state highways.

City vs. County and Highway District Distributions - Of the HDA funds allocated to local governments, 30 percent goes to cities. The HDA apportionments for cities included within a highway district (i.e., cities within Ada County and Sandpoint Highway Districts) are then reallocated to the respective highway district since they administer the street programs in such cities. Consequently, the effective share of HDA funds to those cities which have street responsibilities is 22.5 percent of the local government allocation.

Under adopted distribution arrangements, highway user revenues allocated to cities outside highway districts will amount to 84 percent of the highway user cost responsibility for Most Urgent Needs. Based on Structural Integrity Needs, highway user revenues to cities will exceed user cost responsibilities.

Including the cities within highway districts changes these relationships materially. Assuming a hold harmless provision regarding current highway user funds, the analysis of cost responsibilities indicates that 18.7 percent of any new highway user revenues should be allocated to cities. Based on Structural Integrity Needs, cities will receive HDA funds from current sources which approximate cost responsibilities.

HDA Distributions to Individual Cities - For purposes of HDA distributions, funds are allocated to each city on the basis of population, regardless of whether the city's street needs are administered by the city government or by a highway district. This is logical for it treats each city's needs on a comparable basis regardless of the administrative structure used to run the street program. Where city street programs are administered by a highway district, the city's HDA funds are passed through to the highway district.

Analyses were performed to determine if there was a more equitable basis for distributing HDA funds to cities other than population. It was found that population does closely correlate with street needs in cities. Nevertheless, some improvement in statistical correlation could be achieved if certain other measures were employed, i.e., (1) improved road miles, (2) improved road lane miles, (3) paved road miles, or (4) paved lane miles. If a change is made in the distribution formula to better match revenues with needs, improved road lane miles would be a logical choice. A hold harmless provision should be considered if a change is made in the formula.

HDA Distributions to Individual Counties and Highway Districts - Distributions of HDA funds to counties and highway districts are as follows:

- 10% equally divided;
- 45% based upon motor vehicle registration revenue; and,
- 45% based upon improved road mileage.

Analyses showed that the existing distribution formula correlates well with county road needs but not very well with highway district needs.

If a single variable equation was considered desirable as a replacement formula, these analyses indicate that improved road miles would be the best choice. The best two variable equation would be:

3% (motor vehicle registration revenues) +
97% (improved road miles).

The best overall three variable equation would be:

4% (motor vehicle registration revenue) +
10% (improved road miles) +
86% (land area).

As with other HDA distribution aspects, a hold harmless provision would be an equitable way to handle the transition to a new formula.

Distribution of Non-User Revenues

Some of the potential non-user revenue sources which warrant consideration to reduce the shortfall in non-user financing logically could involve state administration, such as a statewide general sales tax imposed for highway purposes. If collected by the State, decisions will be required as to how these funds should be allocated to achieve an equitable relationship between apportioned funds and highway needs.

Assignments of cost responsibilities recognize that the land access functions of arterial highways are subordinate to their travel-service functions. A large portion of the state highway system consists of arterials with most of the remainder being major collectors. For Most Urgent Needs, cost responsibility assignments indicate that none of the state system should be financed from non-user revenue sources, despite the fact that there are obvious non-user benefits associated with state highways.

The cost responsibility analyses also indicate that between 27 and 30 percent of non-user revenues should be applied to city streets (including city streets within the Ada County and Sandpoint Highway Districts). The remaining 70 to 73 percent should be applied to county and highway district highway programs.

The formulas used for distributing highway user revenues to individual cities and to individual counties and highway districts are equally applicable for distribution of state-administered non-user revenues. These formulas are intended to match funds with needs as equitably as possible.

Apportionments of non-user revenues for the cities within the Ada County and Sandpoint Highway Districts logically should be handled in the same way as user revenues are apportioned. That is, these cities would participate in the city revenue distributions with the apportioned funds being passed through to the respective highway district. The revenue split between cities and counties/ highway districts, as discussed above, reflects this arrangement.

III - Federal Issues

Legislation creating the LHNAC charged it with the responsibility to examine special provisions regarding the Federal Government's functions in Idaho.

Payments-In-Lieu of Taxes (PILT)

While a major employer and the State's largest single landowner, by law the Federal Government is not required to pay any taxes to state or local governments. PILT is a program whereby the Federal Government attempts to rectify this inequity. For the Fiscal Years 1985 through 1988, PILT funds in Idaho increased from $7.3 million to $7.9 million, with counties being the recipients. Study investigations indicate that these funds are placed in the respective County General Funds and mixed with other receipts. Therefore, they lose their identity and it is not possible to trace the disposition of these special funds or to determine the extent to which they are used for highway programs.

Federal Vehicle Exemptions

Although federal vehicles travel over state and local highways, they are exempt from user taxes and fees. The principal federal agencies involved in vehicle usage in Idaho are the U.S. Forest Service, Bureau of Land Management, Bureau of Indian Affairs and the General Services Administration.

Based on the number of federal vehicles and their travel, it was estimated that, had federal vehicles paid state user taxes, some $277,000 would have been generated in 1988. This would have increased funds in the Highway Distribution Account by 0.2 percent.

Access to Federally-Owned Lands

The Federal Government controls 64 percent of the land area in Idaho. These federal lands are used for a variety of activities including logging, mineral extraction, grazing and recreation. Maintenance of highways which provide access to federal lands often is the responsibility of local governments. It is estimated that there are about 700 federal land access roads throughout the State, constituting approximately 4,000 miles or 14 percent of all local government highways. For 87 percent of these access roads, less than one-half of the vehicle travel on them is associated with federal land uses. Almost half of the roads had less than 20 percent utilization by vehicles engaged in activities associated with the federal lands.

Study investigations suggest that access roads to federal land are not a significant problem except in isolated instances. Difficulties primarily relate to those instances where heavy vehicles used for logging and mining operations cause maintenance problems. Where this occurs, local governments feel that federal revenues associated with these activities are insufficient to off-set highway maintenance costs.

Impacts of Federal Standards

An investigation was made to determine the impact of Federally mandated highway and bridge standards upon the opportunities for local governments to utilize Federal highway funds. From this investigation, it was found that a majority of local jurisdictions feel that Federal requirements and practices are too stringent and cite them as a primary reason for not participating in federal-aid projects. The higher costs associated with these standards are a major factor in these decisions. The total impact of federal requirements on project costs is 33 percent above nonfederal-aid projects. This includes the impact on project scope, design and construction activities.

Because of these impacts on local jurisdictions, the State has instituted a Local Federal-Aid Secondary (FAS) Exchange Program, or "buy-back" arrangement, whereby counties and highway districts may exchange FAS funds for State Highway Account funds.

IV - Local Jurisdiction Organizational Features

A descriptive analysis was prepared regarding the organizational features of local jurisdictions responsible for highway programs. This analysis documented the major differences in the size of highway organization and the highway system for which they were responsible.

An opinion poll also was conducted which generated a 21 percent response rate. Because respondents do not constitute a statistically controlled sample of local governments, the opinions do not necessarily reflect the circumstances and attitudes of all local governments.

The majority of respondents indicated that they were understaffed and could not undertake the responsibility of more road miles. Equipment fleets appear to be less of a constraint to increased highway responsibilities than were staff limitations. Respondents indicated that their most pressing personnel needs generally were equipment operators, drivers and laborers. Responses suggest that a modest amount of intergovernmental cooperation exists between local jurisdictions with some jurisdictions providing services on behalf of other jurisdictions.

Attitudes of survey respondents regarding consolidation of highway responsibilities were mixed. There was no clear indication that highway personnel and/or equipment would be better utilized or that cost savings and improved program delivery would accompany consolidation of responsibilities. Cities that responded were the most favorable to consolidation while the responding highway districts were least favorable.

Where Does Idaho Go From Here?

Idaho's highway problems are not unique. Other states also are faced with deficient highway systems because highway revenues have not kept up with inflation and growing highway system demands. Some states have taken aggressive steps in recent years to address these problems. During 1989, 18 state legislatures and the District of Columbia voted to increase their motor fuel tax rates. Increases in four states were 5 cents per gallon or more.

Idaho now must decide if it, too, will face up to the need for bold and imaginative initiatives which will begin to correct the problems that have been allowed to accumulate. The lack of adequate actions in the past has led Idaho to its current situation. Only forceful actions now can prevent further increases in the backlog of highway needs. In view of the substantial economic benefits which derive from Idaho's state and local highways, and the potential disastrous effects if corrective actions are not taken, the Local Highway Needs Assessment Council submits this report with the strong conviction that now is the time for Idaho to undertake bold measures.